# Effectiveness of the homelessness service system

## **Research report**

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## Contents

| Exe | cutive s | ummary  | i   |
|-----|----------|---|-----|
| Key | finding  | S   | iii |
| 1   | Introd   | luction   | 1   |
| 1.1 | Definit  | ions of key terms and concepts                              | 1   |
|     | 1.1.1    | Homelessness  | 1   |
|     | 1.1.2    | Early intervention and prevention                           | 1   |
| 1.2 | Metho    | d   | 2   |
| 1.3 | Quality  | and extent of the evidence-base                             | 2   |
| 1.4 | Definir  | ng the specialist homelessness service system               | 3   |
| 1.5 | Evalua   | ating the effectiveness of the homelessness service system  | 5   |
|     | 1.5.1    | Indicators of system effectiveness                          | 6   |
|     | 1.5.2    | Indicators of effectiveness and data availability           | 6   |
| 2   | Home     | lessness in Australia                                       | 8   |
| 2.1 | Cause    | s of homelessness   | 8   |
|     | 2.1.1    | Individual risk factors                                     | 8   |
|     | 2.1.2    | Structural factors  | 10  |
| 2.2 | Numb     | er and characteristics of homeless people                   | 11  |
| 2.3 | Numb     | er of people who access services multiple times             | 14  |
| 2.4 | Unmet    | demand for specialist homelessness services                 | 14  |
| 2.5 | Evider   | nce on homelessness among key population groups of interest | 17  |
|     | 2.5.1    | Change in numbers of homeless cohorts                       | 17  |
|     | 2.5.2    | Indigenous people   | 18  |
|     | 2.5.3    | Domestic and family violence                                | 18  |
|     | 2.5.4    | People living with a disability                             | 19  |
|     | 2.5.5    | People exiting custodial arrangements                       | 20  |
|     | 2.5.6    | People leaving care   | 20  |
|     | 2.5.7    | Older people  | 22  |
|     | 2.5.8    | Young people presenting alone                               | 22  |
| 3   | Турез    | of homelessness responses                                   | 24  |
| 3.1 | Servic   | e integration   | 24  |
| 3.2 | Case I   | nanagement  | 26  |
| 4   | Cost     | effectiveness of homelessness services                      | 27  |
| 4.1 | Definit  | ions  | 27  |

|        | ated system of government   | 62<br>63  |
|--------|---|---|
| Federa |   |   |
|        |   |   |
| Drivor | s of homelessness   | 61  |
|        |   | 60  |
|        |   | 59  |
| Transp | parency of outcomes and accountability  | 59  |
| Compe  | etition in human services   | 58  |
|        |   | 58  |
| Conte  | mporary policy reform and its implications for homelessness policy  | / and   |
| 6.2.4  | Supported housing for older people  | 56  |
| 6.2.3  | Way to home   | 56  |
| 6.2.2  | Street to Home and other assertive outreach   | 55  |
| 6.2.1  | Common Ground   | 54  |
|        |   | 53  |
| 6.1.3  |   | 53  |
|        |   |   |
|        |   | 48  |
| -      |   | <b>47</b><br>48   |
|        |   | 40<br>47  |
|        |   | 43  |
|        |   | 42  |
| -      |   | 42  |
|        |   | 40<br>42  |
|        |   | 40  |
| -      |   | <b>40</b>   |
| •      | -   |   |
|        |   | 37<br>38  |
| -      |   | 36  |
|        | , ,   | 36  |
|        | -   | 35  |
|        |   | 31  |
| 4.2.2  |   | 30  |
| 4.2.1  | Supportive housing  | 29  |
| Homel  | essness services and value for money  | 28  |
|        | 4.2.1<br>4.2.2<br>4.2.3<br>4.2.4<br>4.2.5<br>4.2.6<br>4.2.7<br>Implica<br><b>System</b><br>5.1.1<br>5.2.1<br>5.2.2<br>5.2.3<br><b>System</b><br>Crisis a<br>6.1.1<br>6.1.2<br>6.1.3<br>Housir<br>6.2.1<br>6.2.2<br>6.2.3<br>6.2.4<br><b>Conte</b><br>gram fun<br>Compe<br>Transp<br>The inv<br>Social | <ul> <li>4.2.2 Homelessness program evidence</li> <li>4.2.3 Australian homelessness program evidence</li> <li>4.2.4 The cost of youth homelessness</li> <li>4.2.5 Cost of youth exiting care</li> <li>4.2.6 Costs of early intervention—youth at risk</li> <li>4.2.7 Effectiveness of NPAH funded housing and homelessness programs</li> <li>Implications of cost offset data for homelessness funding</li> <li>System effectiveness in preventing homelessness</li> <li>Mainstream and other non-housing responses</li> <li>5.1.1 Health, education and justice improvement interventions</li> <li>Early intervention and prevention</li> <li>5.2.1 The 'coalitions of schools and services' model</li> <li>5.2.2 Tenancy support programs</li> <li>5.2.3 Rapid rehousing and intensive responses for clients with complex needs</li> <li>System effectiveness in responding to homelessness</li> <li>Crisis and transition responses</li> <li>6.1.1 Domestic and family violence responses</li> <li>6.1.2 The Foyer model</li> <li>6.1.3 Housing and Accommodation Support Initiative</li> <li>Housing First approaches</li> <li>6.2.1 Common Ground</li> <li>6.2.2 Street to Home and other assertive outreach</li> <li>6.2.3 Way to home</li> </ul> |

## List of tables

| Table 1: Quality of the evidence base   | 3       |
|---|---------|
| Table 2: Indicators of system effectiveness   | 6       |
| Table 3: Summary of risk groups   | 10      |
| Table 4: Number and rate of homeless people by state/territory 2001–2011  | 12      |
| Table 5: Homelessness by state/territory based on 2011 Census data  | 13      |
| Table 6: Number of support periods per client   | 14      |
| Table 7: Unassisted requests for service over time  | 16      |
| Table 8: Change in number of clients supported 2011–12 to 2014–15, by category Australia                                      | 18      |
| Table 9: Cost offset of homelessness programs   | 32      |
| Table 10: Homelessness programs: government cost/client (states) net of change in cost of non-homelessness services (2010–11) | 34      |
| Table 11: Proportion of SHS clients homeless prior to and post support, 2011–2015   | 47      |
| Table 12: Client outcomes in relation to education, training and employment prior to and pos receiving SHS support, 2011–2015 | t<br>47 |

## List of figures

| Figure 1: Sources of funding for organisations delivering services to homeless people in Australia               | 4  |
|--|----|
| Figure 2: Framing the homelessness system  | 9  |
| Figure 3: Age structure of Australia's homelessness population (2011)  | 13 |
| Figure 4: Proportion of clients with unmet need for accommodation and services other than accommodation, 2013–14 | 17 |

## Acronyms

| ABS    | Australian Bureau of Statistics                                  |
|--------|--|
| ACCESS | Access to Community Care and Effective Services and Support (US) |
| ACHA   | Assistance with Care and Housing for the Aged                    |
| ACT    | Assertive Community Treatment (US)                               |
| AHURI  | Australian Housing and Urban Research Institute Limited          |
| AIHW   | Australian Institute of Health and Welfare                       |
| AOD    | Alcohol and Other Drugs  |
| CALD   | Culturally and Linguistically Diverse Communities                |
| CSHA   | Commonwealth State Housing Agreement                             |
| COAG   | Council of Australian Governments                                |
| DHS    | Department of Human Services (VIC)                               |
| HASP   | Housing and Support Program (QLD)                                |
| HASI   | Housing and Accommodation Support Initiative                     |
| HHCEN  | Housing and Homelessness Chief Executives Network                |
| HEF    | Housing Establishment Fund (VIC)                                 |
| IIP    | Intensive Intervention Program                                   |
| JH     | Journeys Home  |
| MoU    | Memorandum of Understanding                                      |
| NAHA   | National Affordable Housing Agreement                            |
| NDIS   | National Disability Insurance Scheme                             |
| NPAH   | National Partnership Agreement on Homelessness                   |
| NPARIH | National Partnership Agreement on Remote Indigenous housing      |
| PRA    | Private Rental Assistance  |
| PRBP   | Private Rental Brokerage Programs                                |
| PRLO   | Private Rental Liaison Officer Program (SA)                      |
| SAAP   | Supported Accommodation Assistance Program                       |
| SBBs   | Social Benefit Bonds   |
| SHIP   | Specialist Homeless Information Platform                         |
| SHLV   | Staying Home Leaving Violence                                    |
|        |  |

| SHS           | Specialist Homelessness Services                   |
|---------------|--|
| SIBs          | Social Impact Bonds                                |
| SVA           | Social Ventures Australia                          |
| Working Group | National Partnership on Homelessness Working Group |
| YHARS         | Youth Housing and Reintegration Service (QLD)      |
|               |  |

## **Executive summary**

In 2011, there were 105,237 homeless persons in Australia (up from 95,314 in 2006). Many of these (42%) were children under 18 years of age (27%) and young people aged under 25 years (15%). A high proportion (25%) were Indigenous Australians.

Homelessness is caused by a combination of:

- → individual risk factors—domestic and family violence, substance misuse, mental health issues, unemployment, a history of contact with institutions, etc., and
- → structural factors—labour markets, housing affordability, housing supply, trends in key prices (e.g. utilities) and the demographic characteristics of certain geographical locations. For example, an increase in the median market rent of \$100 (30% increase of the national median weekly rent), lifts the risk of entry into homelessness by 20 per cent; a one percentage point increase in the unemployment rate raises the likelihood of homelessness entry by one percentage point.

Both individual and structural factors need to be addressed to effectively address homelessness.

The homelessness system in Australia is constituted of:

- → national agreements that set the funding context and circumscribe homelessness service priorities
- $\rightarrow$  an overarching strategy in each state and territory that organises homelessness services
- → specialist homelessness services (SHS) that provide a range of services to support people who are homeless or at risk of homelessness.

The national agreements and contractual arrangements between the Commonwealth and the states and territories frame the homelessness system. However, they do not represent an overarching vision and there is no national plan to address homelessness that takes into account structural drivers. Consequently, one cannot speak of an 'Australian homelessness system'. Rather each state and territory has their own independent homelessness system.

#### Effectiveness of the homelessness system

There is a large body of evidence on the effectiveness of individual homelessness services and programs in terms of client outcomes. Overwhelmingly this evidence shows that **individual services and programs are effective in bringing about positive housing and non-housing outcomes** for their clients; they are also cost-effective.

However, in establishing the effectiveness of the homelessness *system*, it is necessary to consider the degree to which agreements, overarching strategies, funding and service delivery arrangements enable the SHS system as a whole to deliver outcomes in relation to national homelessness indicators—rather than outcomes in relation to outcomes for users of a particular service.

At a system level, indicators of effectiveness include the number and proportion of homelessness people in Australia, as well as national data on clients' housing, income and workforce status. Interactions between SHS and other government systems may also be evaluated, such as health, justice and welfare offsets.

The table below summarises key indicators of SHS system effectiveness. The evidence shows that the homelessness system falls short on many of the indicators examined. This is in part due to influences that are external to the homelessness system, such as the

structural trends outlined above. In part, it is due to endogenous institutional settings including:

- → the stop-start nature of funding, which affects the type of services delivered, workforce retention, skill and development, and innovation, such as the ability to bring promising pilots to scale
- → insufficient resourcing
- → 'leakage' from other parts of the system (e.g. institutional exits into homelessness from health and justice services)
- $\rightarrow$  a lack of coordinated responses across the government system as a whole.

#### Indicators of system effectiveness

| Indicator   | Performance            |
|---|------------------------|
| Client Outcomes                                       |                        |
| 1 Housing status – fewer homeless post support        | Improved               |
| 2 Education, training and employment status           | Improved               |
| 3 Social inclusion status                             | Lack of data           |
| 4 Received multiple support periods                   | No change              |
| System Outcomes                                       |                        |
| 5 Cost effectiveness                                  | Effective              |
| 6 Level of unmet demand for services                  | No change              |
| 7 Targeting of priority groups                        | Improved               |
| 8 Prioritisation of early intervention and prevention | Lack of data           |
| 9 System integration                                  | Lack of data           |
| 10 Reduction in number and rate of homeless people    | Number and rate higher |

#### Cost effectiveness—implications for funding

Homelessness services generate cost savings to other parts of the government system.

- → The total cost to the Australian economy of additional health and justice services used by young homeless people under the age of 25 is an estimated \$747 million per annum (MacKenzie and Thielking 2013).
- → SHS yield average cost savings to government of \$3,685 per client per year by reducing the use of non-homelessness services (health, justice and welfare), though this only partly offsets program costs. However, in some instances, such as homelessness programs for single women, cost offsets lead to a net saving to government of \$4,030 per client per year (Zaretzky and Flatau 2013).
- → In WA, NPAH-funded public housing provision to formerly homeless people leads to whole-of-government savings of \$13,273 per person per year (Wood, Flatau et al 2016).

Given the not inconsiderable whole-of-government savings resulting from SHS provision, and given that the cost savings in many instances outweigh the costs of providing SHS, it stands to reason that ceasing funding for homelessness services would in fact incur net costs to government once considered on a whole-of-government basis.

#### Data availability

There is limited evidence to allow for a comprehensive assessment of how Australia's homelessness service system is performing as a whole. This makes effective analysis difficult, especially when available data is often limited, fragmented or not comparable. There are only few national studies and the existing data infrastructure is neither well interconnected nor utilised. Another foregone opportunity lies in data linkage of homelessness data with housing, Centrelink and other human services data, which could provide powerful insights into clients' needs, pathways and outcomes.

There is need for a whole-of-government approach to data collection, management and evaluation. Recent innovations in domestic violence provide an example of how this could be done.

## **Key findings**

#### Performance of SHS system against key indicators

- 1 Clients' housing status—fewer homeless post support. As a whole, SHS are only moderately effective in improving clients' housing status. In 2014–15, as a result of accessing SHS, there was a 10 per cent reduction in the number of people that were homeless (43% were homeless prior to support and 33% after receiving support).
- 2 Clients' education, training and employment status. SHS have a small impact on clients' education, training and employment outcomes. In 2014–15, there was no change in the proportion (21%) of SHS clients who were enrolled in education and training prior to and post receiving support. There was a modest change in the number of clients with identified employment related needs who were employed prior to receiving support (12%) and post support (21%).
- 3 Clients' social inclusion status. There is insufficient data to assess whether clients experience improved social inclusion outcomes as a result of accessing the SHS system. Data from evaluations of individual services shows that social inclusion is an area in which homelessness programs can achieve positive outcomes. However, on the whole, SHS services are less effective in generating social inclusion outcomes than in keeping people housed.
- 4 Clients received multiple support periods. There was no marked reduction in the average number of support periods SHS clients received from 2011–12 (1.6) to 2014–15 (1.7).
- 5 System cost effectiveness. SHS are cost effective. Homeless people are heavy users of a vast array of government services, particularly health and justice. Through cost offsets, SHS can provide savings to government, primarily in the health and justice systems. Successful interventions into homelessness have the potential to decrease welfare payments, increase taxation receipts, decrease expenditure associated with placing children in care and expenses related to evictions.

- 6 Level of unmet demand for services (system capacity). In 2014–15, 256,000 people were assisted by SHS, which represents an average annual increase of 2.6 per cent since 2011–12; 329 requests for assistance were unmet each day, which represents 119,910 requests per annum. This indicates that demand for SHS is much higher than the capacity of the system to respond effectively.
- 7 Targeting of priority groups. There was no real change in the proportion of clients accessing SHS that belonged to priority groups. For example, the following groups were represented in 2011–2012 and 2014–15: Indigenous people (22% and 23%); people leaving domestic and family violence (34% and 36%); and young people presenting alone (16% and 18%).
- 8 Prioritisation of early intervention and prevention. Data shows that prior to support almost three in five (57%) people approaching SHS are at risk of homelessness, but not homeless. This points to significant opportunities for early intervention in the SHS. Even greater opportunities could be realised through early intervention in mainstream services. It is not clear from the data to which degree prevention strategies are used. We do know that early intervention and prevention work are cost effective and that there have been some innovative programs.
- **9 System integration.** Data on system integration effectiveness is sketchy. We do know that mainstream and other non-housing responses (e.g. cross-sector initiatives for people exiting care or other facilities) are effective in producing positive client outcomes. There is a need for greater involvement of mainstream agencies (e.g. housing, health, justice, education, employment) in early intervention and prevention of homelessness for at risk groups.
- **10 Reduction in the number and rate of homeless people.** Based on Census data, there was no clear change in the number of homeless people in Australia from 2001 (95,314) to 2011 (105,237). The rate of homeless people was also largely unchanged, with there being 50.8 homeless persons per 10,000 of the population in 2001 and 48.9 homeless per 10,000 of the population in 2011.

It is important to note that these outcomes vary between types of services provided and between client groups.

#### Types of homelessness responses

Homelessness programs generally target specific client cohorts at specific stages of homelessness. A client centred approach to service delivery is considered best practice. The two key instruments for achieving a client centred approach are service integration and case management.

- → Service integration. There is no robust evidence on the extent and effectiveness of integrated care arrangements surrounding homelessness in Australia.
- → Case management. Case management assists in coordinating and providing services to people with complex needs. Good case management is a critical success factor in a number of programs, including the Housing and Support Program (HASP) for people with disabilities in Queensland, the Intensive Intervention Program (IIP) for Indigenous tenants in public housing, and discharge planning programs for people exiting prison.

#### Cost effectiveness of homelessness services

Homeless people are high users of health and justice services. Early intervention, prevention or reversal of homelessness can provide significant cost savings to government.

 $\rightarrow$  The savings to government are primarily found in the health and justice sectors.

- → Supported housing reduces costs associated with the justice system, detoxification facilities, emergency health services, mental health services, ambulance and other transport costs.
- → Early intervention for young people at risk of homelessness can reduce negative outcomes and create significant short and long term savings to government.

SHS programs yield average cost savings to government of \$3,685 per client per year by reducing the use of non-homelessness services (health, justice and welfare) (Zaretzky and Flatau 2013). Homelessness programs for single women achieve very significant net benefits, with the costs of providing the programs offset by reductions in health, justice and welfare costs. Homelessness programs are less effective, in the short term, in improving clients' employment and financial circumstances.

In 2014–15, the total cost to the Australian economy of additional health and justice services used by young homeless people under the age of 25 was an estimated \$747 million annually, which exceeds the total cost (approx. \$619 million) of providing SHS to the 256,000 (young and old) assisted by the system over the same period (MacKenzie and Thielking 2013).

Public housing provision to formerly homeless people in WA creates an estimated economic impact in terms of cost offsets due to reduced health service use of \$16.4 million per year, or \$4,846 per person/year across all people in the sample (2011–2012) (Wood, Flatau et al. 2016).

#### System effectiveness in preventing homelessness

- → Mainstream and other non-housing responses, such as cross sector initiatives targeting people exiting from care or other facilities are effective in producing positive client outcomes. The evidence suggests the need for greater involvement of mainstream agencies (e.g. housing, health, justice, education, employment) in early intervention and prevention of homelessness for at risk groups.
- Tenancy support programs are effective early intervention and prevention models that can assist people to maintain their tenancies and avoid homelessness. They are also cost effective.
- Rapid rehousing is a key component in permanent supportive housing programs for people with complex or chronic issues and is also a key component of the Housing First model.
- The 'coalitions of schools and services model' is an effective model that uses population based screening to identify within schools young people who are at high risk of homelessness so as to enable early and targeted intervention for the prevention of homelessness.
- The lack of strategies to address structural factors within the system (e.g. leakage into homelessness from other parts of the service system) and external to the system (e.g. housing affordability, housing supply and labour markets), impacts on the effectiveness of the SHS system in preventing homelessness.

#### System effectiveness in responding to homelessness

#### Crisis and transitional responses

Crisis and transition responses aim to safely accommodate clients while they resolve their homelessness and include responses to domestic violence and transitional programs for young people.

- → Domestic and family violence responses play an important role in preventing homelessness for women and children escaping violence. These schemes have been found to be effective across a wide range of situations and geographical contexts.
- → Foyer models are transitional housing responses that can help young people compete for existing job and housing opportunities. This needs to be balanced with a high cost of service delivery as the model provides relatively intensive support and generally requires a purpose-built facility with high capital.
- The Housing and Accommodation Support Initiative (HASI) in NSW has provided positive client outcomes in the areas of mental health, stable tenancies, independence in daily living, social participation, community activities and involvement in education and voluntary or paid work. HASI was less successful in facilitating physical health outcomes.

#### Housing First approaches

Housing First models are successful at delivering high levels of sustained tenancies for people with complex needs and a history of homelessness. They are less successful in achieving outcomes such as social inclusion, addressing problematic substance use and mental health issues. While the provision of immediate and permanent housing is essential to the success of the model, the support component is equally important in ensuring that tenancies are sustained.

- → Common Ground. There is limited evidence on the success of this model in Australia. Indications are that the Common Ground programs in Sydney and Melbourne are seeing clients with more complex needs than the programs anticipated, which is causing limitations in the achievement of outcomes and the provision of appropriate services to tenants.
- → Street to Home. Overall, Street to Home programs are reasonably effective in enabling clients to access and sustain housing at a slightly higher than average cost for similar models. They are moderately successful in facilitating non-housing outcomes. Accessing secure housing for service users is a key challenge for all service providers.
- → Way to home programs can bring about housing stability and facilitate improvements in non-shelter outcomes.
- → Supported housing for older people can be successful and cost effective if it uses a flexible and person centred delivery model.

#### **Policy reform context**

A number of recent policy reform proposals have implications for the future of homelessness policy and funding. These include suggestions to:

- → introduce more competition into the provision of human and housing services
- → improve the transparency and accountability of national agreements, national partnerships and national implementation plans
- → introduce the investment approach to the provision of welfare services
- → introduce social impact bonds to diversify funding.

The policy context for homelessness is also affected by reform initiatives affecting services related to the drivers of homelessness, such as mental health and disability, family and domestic violence, young people leaving state care and closing the gap for Indigenous Australians.

Australia's federated system of government provides the context within which homelessness policy and funding operates. Discussions are presently underway in areas with interrelationships with homelessness policy and funding and related areas of government responsibility.

## **1** Introduction

### **1.1** Definitions of key terms and concepts

#### 1.1.1 Homelessness

Until recently, the most widely accepted definition of homelessness was the one developed by Chamberlain and MacKenzie in 2008, which was based on cultural expectations of the degree to which housing needs were met within conventional expectations or community standards (ABS 2011). In Australia, this meant having, at a minimum, one room to sleep in, one room to live in, one's own bathroom and kitchen and security of tenure.

In 2012, the Australian Bureau of Statistics (ABS) developed a new definition of homelessness informed by an understanding that homelessness is not 'rooflessness' (ABS 2012b: 7). A person is considered 'homeless' under this revised definition if their current living arrangement exhibits one of the following characteristics:

- → is in a dwelling that is inadequate
- → has no tenure or their initial tenure is short and not extendable
- does not allow them to have control of, and access to, space for social relations, including a sense of security, stability, privacy, safety and the ability to control living space.

The ABS definition takes into account the principles of the cultural definition of homelessness and attempts to apply to them a statistical methodology.

The dilemma of this definition, with regard to some of the programs responding to homelessness, is that even though a person's circumstances may have improved as a result of the program, they could still be technically defined as being homeless.

#### 1.1.2 Early intervention and prevention

Early intervention and prevention are key concepts in homelessness policy and service delivery, but research, policy and program literatures offer no consistent definition. While the terms are frequently used together, or interchangeably, they are not the same thing.

Prevention and early intervention strategies aim to re-orientate the service system away from crisis management and include offering post-crisis support where necessary. They also aim to ensure successful transitions for people exiting institutional settings such as psychiatric care facilities and prisons.

The national and international evidence-base has firmly established that the longer someone is homeless, the more difficult it is to assist them to stabilise their life. The responses and resources required are therefore substantively different for someone who is homeless compared to someone at risk of homelessness.

Prevention strategies operate at the structural level (Chamberlain and Johnson 2003) and occur before a person has become homeless. They aim to:

- address the underlying political, economic and social causes that place people at risk of homelessness (e.g. increasing the supply of affordable housing, improving labour markets)
- → identify people who are most at risk of homelessness and build up their protective factors and decrease their risk factors

- → focus on people who are at risk but not actually homeless (e.g. sustain tenancies)
- → use broad population-wide strategies that target the general population and at-risk groups; these interventions are not solely in the domain of SHS, but include mainstream services, such as housing, health, education, employment and family welfare services (Culhane, Park et al. 2011).

Early intervention strategies are targeted at individuals who have recently become homeless and aim to ensure that short periods of homelessness do not become chronic (cf. Figure 2).

## 1.2 Method

This report used a research synthesis approach to gathering and evaluating the evidence on the effectiveness of the specialist homelessness service system. The synthesis drew on national and international evidence including peer reviewed academic papers, government reports and grey literature.

The resulting discussion paper informed a consultation workshop with key stakeholders held in Sydney on 30 June 2016 (see Appendix 1 for a list of workshop attendees). The paper was revised on the basis of feedback received.

## **1.3** Quality and extent of the evidence-base

There is limited evidence that would allow for a comprehensive assessment of how Australia's homelessness service system is performing as a whole. Apart from a few exceptions (e.g. Zaretzky and Flatau 2013; Wood, Flatau et al. 2016), studies and evaluations either focus on individual services, are locally targeted, or involve only a small number of services. The quality of the evidence-base is also variable, with few solid independent evaluations of services. This was also noted by Deloitte Access Economics in their 2014 review of the effectiveness of the National Partnership Agreement on Homelessness (NPAH)-funded housing and homelessness programs.

Assessment of the effectiveness of the homelessness system is further complicated as the existing data infrastructure is not well interconnected nor utilised. For example, the Specialist Homelessness Information Platform (SHIP), and other agency client management systems are not being used to their full extent and/or are not available for analysis. For example, SHIP contains client identifiers that could be used to track clients over time and assist in determining risk factors that lead clients to remain 'stuck' within the system and enabling factors that allow others to exit the homelessness system. Another foregone opportunity lies in data linkage of homelessness data with housing, human services and Centrelink data, which could provide powerful insights into clients' needs, pathways and outcomes.

This makes effective analysis difficult, especially when available data is often limited, fragmented or not comparable. For example, while there have been a number of evaluations of NPAH funded programs or groups of programs, they frequently do not use the same measures of effectiveness. Furthermore, while jurisdictions are required to report annually on the performance of their NPAH funded programs, the nature and quality of the reporting varies and there is little comparability between annual reports (see Zaretzky and Flatau 2015). This causes assessment at the system level to be problematic.

There is need for a whole-of-government approach to data collection, management and evaluation. Recent innovations in domestic violence provide an example of how this could be done.

#### Table 1: Quality of the evidence base

| Indicator   | Quality of the evidence base |
|---|------------------------------|
| Client Outcomes                                       |                              |
| 1 Housing status – fewer homeless post support        | $\checkmark$                 |
| 2 Education, training and employment status           | $\checkmark$                 |
| 3 Social inclusion status                             | ?                            |
| 4 Received multiple support periods                   | $\checkmark$                 |
| System Outcomes                                       |                              |
| 5 Cost effectiveness                                  | ?                            |
| 6 Level of unmet demand for services                  | $\checkmark$                 |
| 7 Targeting of priority groups                        | $\checkmark$                 |
| 8 Prioritisation of early intervention and prevention | ?                            |
| 9 System integration                                  | X                            |
| 10 Reduction in number and rate of homeless people    | ?                            |

However, there are many studies and evaluations that deal with individual homelessness services and programs in Australia. From these it is possible to make inferences about the types of approaches to homelessness service delivery that are most likely to be effective for certain cohorts and what is best practice. Table 1 above summarises the quality of the evidence base.

## **1.4** Defining the specialist homelessness service system

The homelessness system in Australia is constituted of the following:

- → National agreements that set the funding context and circumscribe homelessness service priorities.
- → An overarching strategy in each state and territory that organises homelessness services (e.g. Going Home Staying Home (NSW) and The Opening Doors Framework (VIC)).
- → Specialist homelessness services, which provide the range of services to support people who are homeless or at risk of homelessness. SHS support both those who have become homeless and those who are at imminent risk of homelessness and may comprise housing services (e.g. transitional housing) as well as support services (e.g. case management, providing access to food and medical treatment if needed).

This definition does not include non-government funded or allied services. While most homelessness services are funded under the National Affordable Housing Agreement (NAHA) or NPAH, there is an increasing trend to diversify funding. Philanthropic donations, own-source generated revenue and corporate sponsorship are among the more common

sources of funding sought, together with in-kind support in the form of volunteering (Flatau, Wood et al. 2015). Figure 1 below is a diagrammatic representation of funding for Australian homelessness services.



Figure 1: Sources of funding for organisations delivering services to homeless people in Australia

The national agreements and contractual arrangements between the Commonwealth and the states and territories frame the homelessness system. However, these do not represent an overarching vision. There is no overarching national plan to address homelessness that takes into account structural drivers. Consequently, there is no unified 'Australian homelessness system'. Rather each state and territory has their own independent homelessness system.

Source: Flatau, Wood et al. 2015

#### Performance of the SHS: issues arising from the consultation workshops

- → Participants agreed with the definition of homelessness system as set out in this report.
- Caution needs to be taken in attributing outcomes to the SHS, as structural factors (housing supply, housing affordability, labour markets) play important roles in shaping outcomes.
- → We talk about the SHS as though it is one system, when in actuality each state and territory has an independent SHS system.
- → SHS is a 'safety net' that catches people when they fall through the cracks in other parts of the system.
- → Stopping the leakage into homelessness from other parts of the system (e.g. mental health, people exiting institutions) will require development of whole-of-government strategies to make the wider system accountable for the homelessness outcomes, by having performance measures relating to homelessness (e.g. on release from prison).
- → Uncertain funding drives the focus of the SHS and constrains its effectiveness.
- → The stop-start nature of funding agreements between the Commonwealth and the states (i.e. NPAH), impacts adversely on the type of services delivered, workforce retention and development, skill, and innovation.
- → There is no overarching national plan to address homelessness that takes into account structural drivers (e.g. new housing supply, housing affordability)—the contractual arrangements between the Commonwealth and the states/territories do not present an overarching vision.
- → Many innovative pilots show promise, but are not able to be scaled up due to a lack of sustained funding.

# **1.5** Evaluating the effectiveness of the homelessness service system

There is a large body of evidence on the effectiveness of individual homelessness services and programs in terms of client outcomes. Overwhelmingly this evidence shows that **individual services and programs are effective in bringing about positive housing and non-housing outcomes** for their clients; they are also cost-effective.

However, in establishing the effectiveness of the homelessness *system*, it is necessary to consider the degree to which agreements, overarching strategies, funding and service delivery arrangements enable the SHS system as a whole to deliver outcomes in relation to national homelessness indicators—rather than outcomes in relation to outcomes for users of a particular service.

Viewed at a system level the evidence shows that the SHS falls short on many of the indicators examined. This is in part due to influences that are external to the homelessness system, such as structural trends (e.g. labour market performance, housing affordability, housing supply and trends in key prices (e.g. utilities)). In part, it is due to endogenous institutional settings including:

→ the stop start nature of funding, which affects the type of services delivered, workforce retention, skill and development, and innovation, such as the ability to bring promising pilots to scale

- → insufficient resourcing
- → 'leakage' from other parts of the system (e.g. institutional exits into homelessness from health and justice services)
- → a lack of coordinated responses across the government system as a whole.

#### 1.5.1 Indicators of system effectiveness

Table 2 below summarises key indicators of SHS system effectiveness. The evidence shows that while individual services are performing effectively, the homelessness system as a whole falls short on many of the indicators examined. The full context and implications of this finding are spelled out in the following chapters.

#### Table 2: Indicators of system effectiveness

| Indicator   | Performance            |
|---|------------------------|
| Client Outcomes   |                        |
| 1 Housing status – fewer homeless post support            | Improved               |
| 2 Education, training and employment status               | Improved               |
| 3 Social inclusion status                                 | Lack of data           |
| 4 Received multiple support periods                       | No change              |
| System Outcomes   |                        |
| 5 Cost effectiveness                                      | Effective              |
| 6 Level of unmet demand for services                      | No change              |
| 7 Targeting of priority groups                            | Improved               |
| 8 Prioritisation of early intervention and prevention     | Lack of data           |
| 9 System integration                                      | Lack of data           |
| <b>10</b> Reduction in number and rate of homeless people | Number and rate higher |

#### **1.5.2** Indicators of effectiveness and data availability

The ability to evaluate the effectiveness of the specialist homelessness service system is constrained by the timeliness and availability of data. There are five broad sets of data on which to judge effectiveness:

- **1 Population data from the census**. The limitations of this data are that the most recent available is from 2011, with the next round of census data becoming available in 2017.
- **2 Proxy indicators for SHS service users**. This data is collected by the Australian Institute of Health and Welfare (AIHW) and is more timely and fine grained than census data, however, it does not cover the entire homeless population.
- 3 Evaluations (including cost effectiveness and cost-benefit analyses) of homelessness services. While many homelessness services have conducted their own

evaluations, there are fewer independent evaluations and less than a handful of system wide evaluations of homelessness services.

- 4 NPAH Annual Reports. Jurisdictions are required to report progress and outcomes regularly to the Australian Government through an NPAH Annual Report. The Audit Office in Western Australia, Victoria, Queensland, Tasmania and the Northern Territory also completed an audit on the government agencies' achievement of their obligations and the impact of NPAH programs on homelessness.
- **5 Journeys Home**. This is a national survey about the diverse social, economic and personal factors related to housing stability. It combines de-identified longitudinal information held by the Department of Human Services (DHS) with a sample of approximately 1,600 income support recipients across Australia (Melbourne Institute 2016).

The difficulty in evaluating systems effectiveness lies in the degree of variation across jurisdictions in relation to service models, focus of effort and performance reporting.

#### **Evaluating the SHS: issues arising from the consultation workshops**

- → Homelessness should not be considered in a vacuum, divorced from its economic and structural causes—i.e. the supply of affordable housing relative to demand could a measure of SHS effectiveness.
- → We are under-investing in data and evaluative research.
- → We should use available data better. For example, SHIP has identifiers that could be used to track individual clients to understand which people remain stuck in the system, who manages to exit, and which sorts of accommodation clients move between.
- → Rather than aiming to exit them from the system, Victoria's Open Door, aims to get people deeper into the system so they can access the services they need.
- → There is need for a consistent client-centred indicator set that captures goal achievement and whether client needs were met.
- → We need to determine whether we are providing the right length and intensity of service in relation to client need.
- → We should replace targeting of priority groups with targeting of needs. Many people are in more than one priority group, therefore targeting by priority group does not lead to clear pathways for them.
- → There is a hierarchy of client outcomes, e.g. employment and training is not an appropriate outcome for all groups.
- → Consider sharp, very high level performance indicators to underpin funding agreements, e.g. x amount of housing needs to be affordable to very low income earners; percentage of population that is homeless. Outcomes based funding for the states could be tied to top up funding for benchmarks achieved, in addition to base funding.

## 2 Homelessness in Australia

#### 2.1 Causes of homelessness

The causes of homelessness have been linked to a person's individual circumstances and characteristics, as well as broader structural factors.

Frequently, research has focused either on people's individual characteristics or on structural factors. More recently, however, a consensus has emerged that understands homelessness to be caused by the interaction of individual risk factors and adverse structural conditions (Fitzpatrick and Christian 2006; Lee, Tyler et al. 2010; O'Flaherty 2004; Pleace 2000). This view is reflected in the key homelessness policy instruments and also in the advocacy work of the specialist homelessness sector (Wood, Batterham et al. 2015: 8).

#### 2.1.1 Individual risk factors

The following list highlights individual factors, identified by Australian research, which may put a person at a higher risk of first time homelessness or homelessness due to insecure housing (Flatau, Conroy et al. 2013; Johnson, Scutella et al. 2015b; Steen, MacKenzie et al. 2012; Stone, Sharam et al. 2015; Wood, Batterham et al. 2015):

- → a history of contact with institutions
- ➔ poor decision making
- → having been homeless as a child
- → previous experience of homelessness
- → serious mental illness
- → drug or alcohol dependency
- leaving state care (psychiatric or correctional institutions as well as state care including foster care)
- → domestic and family violence and family conflict
- → for older people, the death of a partner or illness
- → for young people, the experience of family violence, child abuse, parental drug or alcohol dependency or mental illness
- → unemployment
- → relationship breakdown.

Figure 2 frames the current homelessness service system in Australia and identifies four points of intervention:

- 1. Interventions **targeting the general population and at-risk groups**—aimed to prevent people becoming homeless from within the general (low-income) population and acknowledged at-risk groups.
- 2. Interventions **targeting groups at imminent risk of homelessness**—aimed to prevent or mitigate the occurrence and consequence of the trigger events or 'shocks' that are a precursor to homelessness.
- 3. Interventions **targeting those experiencing homelessness**—aimed to reduce the duration and repetition of (first-time, episodic and chronic) homelessness spells.

4. Interventions **sustaining housing stability and support after homelessness**—aimed to prevent a reoccurrence of homelessness for the highest risk groups (those who experienced long-term and chronic homeless).



#### Figure 2: Framing the homelessness system

Source: Developed by AHURI based on Culhane et al. 2011

Many individuals and households are at risk or imminent risk of homelessness. Early intervention and prevention by mainstream services aim to address these risks and prevent homelessness from occurring. NPAH focuses on a number of client groups that have been identified in the literature as being vulnerable to homelessness or requiring special supports. The literature also identifies emerging risk groups which may be worthwhile considering in future iterations of the Agreement (Table 3).

#### Table 3: Summary of risk groups

| Known risk groups   | Emerging risk groups   |
|---|--|
| older people  | <ul> <li>people experiencing housing stress</li> <li>people with dischibition</li> </ul>   |
| <ul> <li>people with mental health and substance<br/>abuse issues</li> <li>women escaping domestic violence</li> <li>Indigenous people</li> </ul>     | <ul> <li>people with disabilities</li> <li>households experiencing economic hardship due<br/>to prolonged period of low wage growth and<br/>casualisation of work</li> </ul> |
| <ul> <li>children and young people</li> <li>ex-prisoners</li> </ul>   | <ul> <li>→ people with gambling problems</li> <li>→ people who had previous experience of</li> </ul>   |
| <ul> <li>culturally and linguistically diverse<br/>(CALD) communities</li> </ul>  | homelessness in their youth (18 years or younger)  |
| people with drug and/or alcohol     dependency  | <ul> <li>older home owners, particularly after loss of a<br/>partner through separation, divorce or death</li> </ul>   |
| <ul> <li>people with serious mental illness</li> <li>people leaving state care</li> </ul>   |  |
| <ul> <li>families with children</li> <li>chronically homeless</li> </ul>  |  |
| <ul> <li>young people who have experienced<br/>family violence, child abuse, parental<br/>drug or alcohol dependency or mental<br/>illness</li> </ul> |  |

#### 2.1.2 Structural factors

Structural factors contributing to homelessness include weak labour markets, tight housing markets and geographic factors (Johnson, Scutella et al. 2015a; Wood, Batterham et al. 2015).

Key homelessness policy instruments and overarching strategies, such as *The Road Home* (2008) have sought to address housing market factors through mainstream housing and welfare provision as well as providing resources for the specialist homelessness sector often through state and territory government bodies.

A recent research project by Johnson, Scutella et al. (2015a) examines how structural factors such as housing and labour markets, social deprivation and other area-level factors interact with individual risk factors to influence housing instability.

The study utilised micro-level longitudinal data from the Journeys Home (JH) dataset and housing market data from the 2011 Census to econometrically model the probability of being homeless as well as the probability of entry and exit from homelessness.

- → Median market rents are positively related to entry into homelessness. The impact is both statistically significant and sizeable. An increase in the median market rent of \$100 (30% increase of the national median weekly rent), lifts the risk of entry into homelessness by 1.6 percentage points, or from a sample mean of 8 per cent to 9.6 per cent (a 20% increase in risk).
- Labour market conditions are a significant cause of entries into homelessness. A one percentage point increase in the unemployment rate raises the likelihood of homelessness entry by one percentage point.
- → Job markets or housing markets have no effect on exits from homelessness.

The study found that both, individual and structural factors affect homelessness. For individuals without behavioural issues, the risk of becoming and remaining homeless is more closely tied to the condition of local housing and labour markets. The chance of becoming homeless is greater in regions with higher median rents and slack labour markets. For those with risky behaviours—drug use, alcohol dependence—housing and labour market effects are uniform across these risk groups, suggesting it is less influential in determining homelessness.

Wood, Batterham et al. (2015) examined the geography of homelessness across the Australian regions. Their findings show that:

- → Homelessness is spatially concentrated, though becoming less so. In 2011, 42 per cent of homeless persons were found in just 10 per cent of the regions across Australia. Rates of homelessness were highest in remote regions and in small pockets of most major cities, including growth corridors. However, homelessness is becoming less concentrated over time—it is declining in areas where it has been relatively high (regional and remote Australia) and increasing where it has been relatively low (coastal fringe and urban mainland capital cities).
- → Demographics explains geographical variations in homelessness. The key determining factor is demographic. Regions with a higher proportion of men, sole parents and Indigenous persons had higher homelessness rates. Greater income inequality and high density dwellings were also statistically associated with high homelessness rates.
- → Homelessness services not affecting local rates of homelessness. Despite higher service capacity in regions with higher rates of homelessness, there is still a mismatch between the location of specialist homeless services and concentrations of homelessness.
- → Homelessness is not linked with local affordable housing shortages or unemployment. Regional rates of homelessness are not statistically linked to shortages of affordable housing or high unemployment rates, though segmented housing and labour markets may still play a role. Risks of homelessness can be greater in low unemployment areas since house prices and rents are typically high, requiring the need for affordable housing in these locations. Furthermore, if those vulnerable to homelessness gravitate to where employment is buoyant, homelessness will increase in these regions.
- → Homelessness outcomes have improved after taking into account structural factors like demographic change. Nationally, homelessness rates declined between 2001 and 2006 before rebounding in 2011. However, modelling work suggests an underlying decline in Australian homelessness over the decade, once structural factors like demographic profiles are taken into account. Further analysis focusing only on urban regions demonstrated an underlying decline in the first half of the decade between 2001 and 2006, but a subsequent increase back to 2001 levels in the second half of the decade.

This highlights that optimal homelessness responses should address both individual and structural risk factors.

## 2.2 Number and characteristics of homeless people

There was no clear reduction in the number and proportion of homeless people in Australia between 2001 and 2011. The 2011 Census provides the most current available data for homelessness nationally. The number of homeless people dropped from 95,314 in 2001 to 89,728 in 2006 (a drop of 6% or average annual decline of 1.2%), after which it increased to

105,237 in 2011 (17% growth or 3.2% average annual growth). Over the decade from 2001– 11, homeless rates fluctuated across the country. In 2001, the national rate was 50.8 persons per 10,000, but this declined by 6 per cent to 45.2 over the five-year period to 2006. Homeless rates then rebounded to almost their 2001 levels in 2011 (48.9) perhaps reflecting the effects of the Global Financial Crisis (Wood, Batterham et al. 2015). However, Wood, Batterham et al. (2015) observe that while national homelessness rates have increased in the last half of the decade this is in large part due to structural factors like demographic change—otherwise homelessness rates would have likely declined over the last decade.

| Year | Number of<br>homeless<br>people | % change in<br>number of<br>homeless people | Rate per<br>10,000<br>persons | % change in<br>rate of<br>homeless people |
|------|---------------------------------|---|-------------------------------|---|
| 2001 | 95,314                          |   | 50.8                          |   |
| 2006 | 89,728                          | -6%   | 45.2                          | -5.6%                                     |
| 2011 | 105,237                         | +17%  | 48.9                          | +3.7%                                     |

#### Table 4: Number and rate of homeless people by state/territory 2001–2011

Source: Wood, Batterham et al. 2015

Of the people who were homeless on census night 2011, 56 per cent were men and 44 per cent were women. Table 5 below shows a breakdown of homelessness figures for each state and territory. Aboriginal and Torres Strait Islander Australians made up 25 per cent (or 26,744 persons) of the homeless population and 30 per cent of homeless people were born overseas (Homelessness Australia 2012).

Children and young people are over-represented among the homeless and make up 42 per cent of all homeless people (see Figure 3 below). About 44,083 children and young people (aged under 25) in Australia are homeless. The 2011 Census reported that one quarter of Australia's homeless population was aged between 12 and 24 years of age with a further 17 per cent being children under the age of 12 (Homelessness Australia 2012).

The numbers of homeless people will be counted again in the 2016 Census. Data from the Census will be available in 2017.

#### Figure 3: Age structure of Australia's homelessness population (2011)



Source: Homelessness Australia 2012

Of the 2011 homeless population, around 20 per cent were staying in supported accommodation for the homeless. Seventeen per cent were staying temporarily with other households (e.g. friends and family) and a further 17 per cent were living in boarding houses without the security of tenure offered by a lease. Many (39%) were living in severely overcrowded housing, while 6 per cent were in improvised dwellings or 'sleeping rough'. Data on the lifetime incidence of homelessness suggests that 7 per cent of the Australian population have been homeless at some point in the past 10 years, but are not currently homeless (ABS 2012a; Wood, Batterham et al. 2014: 9).

| State/territory | No. of homeless | Proportion of homeless  | Change since 2006 |
|-----------------|-----------------|-------------------------|-------------------|
| NSW             | 28,190          | 40.8 people per 10,000  | +20.4%            |
| VIC             | 22,789          | 42.6 people per 10,000  | +20.7%            |
| QLD             | 19,838          | 48.5 people per 10,000  | -5.1%             |
| SA              | 5,985           | 37.5 people per 10,000  | +1.4%             |
| WA              | 9,592           | 42.8 people per 10,000  | +1.1%             |
| TAS             | 1,579           | 31.9 people per 10,000  | +32.9%            |
| NT              | 15,479          | 730.7 people per 10,000 | -7.8%             |
| ACT             | 1,785           | 50 people per 10,000    | +70.6%            |

#### Table 5: Homelessness by state/territory based on 2011 Census data

Source: Homelessness Australia 2012 (based on 2011 Census data)

## **2.3** Number of people who access services multiple times

More recent data on homelessness is available through the Australian Institute of Health and Welfare (AIHW), which has been collecting homelessness data for the new Specialist Homelessness Services (SHS) collection since 2011. This data encompasses only users of SHS services and is therefore only a proxy indicator for the total homelessness population. The report on *Specialist homelessness services 2014–15* (AIHW 2015) describes the characteristics of clients of SHS, the services requested, outcomes achieved, and unmet requests for services during 2014–15. The data show that during 2014–15, 256,000 people were assisted by specialist homelessness agencies across Australia, receiving 437,004 support periods—nearly 20 million days of support and about 6.6 million nights of accommodation. The number of support periods has increased by an average of 4 per cent each year since the collection began in 2011–12.

The majority of clients in 2014–15 had only 1 support period (68%), while 18 per cent of clients had 2 support periods, 7 per cent had 3 periods and 7 per cent had 4 or more. The number of support periods per client is consistent with the previous year. The majority of support periods opened and closed in 2014–15 (77%, or nearly 336,000). An additional 12 per cent of support periods opened during the year and remained open on 30 June 2015. Just 1.5 per cent remained open throughout the entire year.

One in three clients sought support for domestic and family violence, about one in ten clients had a disability and one in four had a current mental health issue (approx. 63,000 people). One in ten young people that presented alone were sleeping rough.

Overall the data shows that there has been no change in the average number of support periods (1.7) per client since 2011.

Published AIHW data does not allow conclusions about which cohorts are more or less likely to repeatedly access the SHS.

|         | Number of<br>clients<br>assisted | Increase<br>from<br>previous | No. of<br>support<br>periods | % of clients by no. of support periods |     |    | Average<br>no. of<br>support |                    |
|---------|----------------------------------|------------------------------|------------------------------|--|-----|----|------------------------------|--------------------|
|         |                                  | year                         | ponodo                       | 1                                      | 2   | 3  | 4 +                          | periods/<br>client |
| 2011–12 | 229,247                          |                              | 388,766                      |  |     |    |                              | 1.6                |
| 2012–13 | 244,000                          | 3%                           | 412,614                      | 70%                                    | 17% | 6% | 7%                           | 1.7                |
| 2013–14 | 254,000                          | 4%                           | 427,930                      | 70%                                    | 18% | 6% | 7%                           | 1.7                |
| 2014–15 | 256,000                          | 1%                           | 437,004                      | 68%                                    | 18% | 7% | 7%                           | 1.7                |

#### Table 6: Number of support periods per client

Source: AHIW data

#### 2.4 Unmet demand for specialist homelessness services

In 2014–15, on average, each day 53,840 people were supported by SHS (AIHW 2015). An instance where no assistance is given to a person who approaches a service is referred to as 'unassisted request for service'.

- → In 2014–15, 329 requests for assistance were unable to be met each day, a total of 119,910 requests per annum—a decrease of 22 per cent from the previous year (AIHW 2015).
- → On average, about 212 daily unassisted requests (or 65% of all requests) were made by women and 116 (35%) by men. This reflects the overall service user population, which is predominantly female (AIHW 2015).
- → Over 70 per cent of average daily unassisted requests included a need for some type of accommodation support (AIHW 2015).
- → The majority of unassisted daily accommodation requests related to short-term or emergency accommodation (60%). Women were more likely than men to have unmet requests for short-term or emergency accommodation (61% and 39% respectively) (AIHW 2015).

Key trends in unmet demand since 2011 (Table 7):

- → Numbers of unassisted requests remained stable from 2011–12 to 2013–14 but decreased in 2014–15. The decrease was due to reductions primarily in New South Wales and Queensland and is a reflection of the impact of new service delivery models in these states (AIHW 2015).
- → The number of support periods and the number of clients have been increasing since 2011.
- → One in four unassisted requests were from women aged 18–34 years. Overall, nearly 2 in 3 of all unassisted requests were from women of all ages and 1 in 3 were from men.

Requests for accommodation were the most frequently unmet need in all jurisdictions (Figure 4).

|                               | 2012–13                |                            | 2013–14                |                            | 2014–15                |                            |  |
|-------------------------------|------------------------|----------------------------|------------------------|----------------------------|------------------------|----------------------------|--|
|                               | Unassisted requests    | All<br>assisted<br>clients | Unassisted requests    | All<br>assisted<br>clients | Unassisted requests    | All<br>assisted<br>clients |  |
| Number                        | 152,103                | 244,176                    | 154,446                | 254,001                    | 119,910                | 255,657                    |  |
| Sex                           | 60% female<br>40% male | 59%<br>female<br>41% male  | 61% female<br>39% male | 59%<br>female<br>41% male  | 64% female<br>36% male | 59%<br>female<br>41% male  |  |
| Living arra                   | ngement                |                            |                        |                            |                        |                            |  |
| Lone<br>person                | 70%                    | 32%                        | 68%                    | 30%                        | 63%                    | 29%                        |  |
| Sole<br>parent                | 27%                    | 31%                        | 29%                    | 33%                        | 33%                    | 34%                        |  |
| Couple<br>with<br>child/ren   | _                      | 13%                        | _                      | 13%                        | _                      | 13%                        |  |
| Couple<br>without<br>children | 1%                     | 6%                         | 2%                     | 5%                         | 2%                     | 5%                         |  |
| Other<br>family<br>group      | 2%                     | 19%                        | 2%                     | 18%                        | 2%                     | 19%                        |  |

## Table 7: Unassisted requests for service over time

-Rounded to zero

Source: (AIHW 2015)



## Figure 4: Proportion of clients with unmet need for accommodation and services other than accommodation, 2013–14

a For unmet demand for clients, Victoria and ACT have central intake models which mean that their data are not directly comparable with other jurisdictions

b Data for 'services other than accommodation for SA are nil or rounded to zero

Source: Productivity Commission 2015

## 2.5 Evidence on homelessness among key population groups of interest

#### 2.5.1 Change in numbers of homeless cohorts

Data from the AIHW (Table 8 below) show that there has been an increase in numbers of clients served by specialist homelessness agencies from 236,429 in 2011–12 to 255,657 in 2014–15 (an average annual change of 2.6%).

Certain client groups have seen a more rapid increase in average annual growth: clients with a mental health issue (12%), clients leaving custodial arrangements (10.2%) or care (9.3%), older clients (7.6%), Indigenous clients (6.9%) and clients who have experienced domestic and family violence (5.1%). There have been fewer children with care and protection orders and young people presenting alone.

| Table 8: Change in number of clients supported 2011–12 to 2014–15, by category |  |
|--|--|
| Australia  |  |

|   | Number 2011–12 | Number 2014–15 | Average annual<br>change (%) |
|---|----------------|----------------|------------------------------|
| Indigenous clients  | 43,642         | 53,301         | 6.9                          |
| Non Indigenous clients*   | 157,227        | 173,995        | 3.4                          |
| Clients who have<br>experienced domestic<br>and family violence | 79,611         | 92,349         | 5.1                          |
| Young people presenting alone                                   | 43,531         | 41,780         | -1.4                         |
| Older clients   | 15,053         | 18,741         | 7.6                          |
| Clients with mental<br>health issue                             | 44,836         | 63,062         | 12                           |
| Clients leaving care  | 4,654          | 6,084          | 9.3                          |
| Clients exiting custodial arrangements                          | 5,132          | 6,866          | 10.2                         |
| Children with care and protection order                         | 2,682          | 1,970          | -9.8                         |
| All clients   | 236,429        | 255,657        | 2.6                          |

\*Does not include figures for 'not stated'

Source: Compiled from (AIHW 2015)

#### 2.5.2 Indigenous people

Indigenous Australians are over-represented in both the national homeless population and as users of SHS. Indigenous people make up 3 per cent of the Australian population, yet constituted 23 per cent (53,301) of SHS clients 2014–15 (AIHW 2015).

The number of Indigenous clients has been steadily increasing since the beginning of the SHS collection in 2011–12. The key trends identified over these four years have been:

- → The rate of service use by Indigenous clients has increased from 587 clients per 10,000 Indigenous people in 2011–12 to 693 per 10,000 in 2014–15.
- → The gap between Indigenous and non-Indigenous rates of service use has been widening. Indigenous clients used SHS at a rate of 8.7 times that of non-Indigenous clients in 2014–15, up from 7.8 times in 2011–12 (AIHW 2015).
- → When compared with non-Indigenous clients, Indigenous clients were younger (23% were children aged 0–9) and more likely to be women (62%); over half of all Indigenous clients (54%) were aged under 25 compared with 40% of non-Indigenous clients (AIHW 2015).

#### 2.5.3 Domestic and family violence

Domestic and family violence has been identified as a risk factor for homelessness for women and children. It is the main reason women and children leave their homes in Australia and has consistently been one of the most common reasons clients have sought assistance from specialist homelessness agencies. Women from low socio-economic circumstances are more likely to use government services, such as refuges and crisis accommodation.

This has significant implications for the homelessness and wider service systems. Children who experience domestic violence and have periods of homelessness are at greater risk of homelessness later in life and thus intergenerational disadvantage (Flatau, Conroy et al. 2013). Children who experience domestic violence are at higher risk of becoming clients of the juvenile justice system and other government services into the future.

- → In 2014–15, 36 per cent of all people requesting assistance from specialist homelessness agencies were escaping domestic or family violence (92,000 clients). This included 31,000 children aged under 18 and 56,000 adult women (AIHW 2015).
- → Nationally the number of clients who experienced domestic and family violence and sought assistance from SHS increased 16 per cent since 2011–12 (79,611 persons in 2011–12 to 92,349 persons in 2014–15). The majority of these additional clients requesting assistance for domestic and family violence were single parent households (with a child or children).
- → This increase is due predominantly to increases in client numbers in Victoria where there has been, on average, a 15 per cent increase each year. This increase in domestic and family violence clients is the result of more services being provided in Victoria.
- → The proportion of clients who were homeless upon presentation has increased from 33 per cent in 2011–12 to 37 per cent in 2014–15.

#### 2.5.4 People living with a disability

Accessing appropriate housing is a substantial issue for many people living with disabilities. Persons with a disability have a greater exposure to the risk of homelessness than the general population and different disabilities predispose individuals to different homelessness risk (Beer, Baker et al. 2012). Persons with a disability and their family members with care responsibilities are at greater risk of homelessness because of low incomes, limited engagement with the labour market and restricted capacity with the private rental sector (Beer and Faulkner 2008). Persons with a disability are not a uniform group and their pathways into homelessness vary by disability type, geographic location and severity of their disability.

The 2012 *Survey of Disability, Ageing and Carers* estimates that almost 1 in 5 Australians live with a disability (ABS 2013). The AIHW, through the SHS collection, gathers data on people with a disability who identified that they had a limitation in core activities (e.g. self-care, mobility or communication) and who also reported that they always or sometimes needed assistance with the core activities (AIHW 2015).

- → In 2014–15, 23,272 clients (or 11% of the SHS population) reported a limitation with a core activity. Of these:
  - o 38 per cent always or sometimes needed assistance
  - 40 per cent have difficulty but don't need assistance
  - o 22 per cent did not have difficultly but used aids/equipment (AIHW 2015).
- → Support received by clients with a disability was longer than for the general SHS population, suggesting the former are presenting with potentially more complex needs (AIHW 2015).

In 2014–15, clients who always/sometimes needed help and/or supervision with self-care, mobility or communication:

→ were supported on average for 108 days (median 59 days), significantly longer than the average support length of all clients, which was 76 days (median 33 days)

- → were more likely to receive accommodation (40%) than the general SHS population (33%) and, for those who did, the length of supported accommodation was much longer (median 55 nights compared with 34 nights for the general SHS population)
- → compared with the broader SHS population, were likely to be younger (25% under 10 years of age) or older (18% aged over 55 compared with 7%)
- → were as likely as the broader SHS population to have been homeless at the beginning of their first support period (43%, or nearly 3,600)
- → were as likely as the broader SHS population to be Indigenous (22% compared with 23% of all clients)
- → were more likely to be living alone (34%) compared with all SHS clients (29%) and living in other family groups (23%) (AIHW 2015).

Of clients (aged 15 and over) who required assistance for their disability (nearly 6,000), 90 per cent reported that their main source of income was a government payment:

- → Disability Support Pension (49%) (compared with 17% of all clients)
- → New Start Allowance (16%) (compared with 27% of all clients)
- → Age Pension (8%) (compared with 2% of all clients)
- → Department of Veteran Affairs Disability Pension (3%) (compared with 1% of all SHS clients) (AIHW 2015).

#### 2.5.5 People exiting custodial arrangements

While the evidence-base on the relationship between ex-prisoners and homelessness is not extensive, it is clear that ex-prisoners are more likely to experience homelessness. Exprisoners have difficultly accessing employment and mental health services. This places exprisoners at risk of homelessness as well as increasing the probability of recidivism. Indigenous people have higher rates of incarceration and homelessness.

Much of the literature focuses on recidivism and the role that insecure housing plays in exprisoners being re-incarcerated post release. A study in Wales (Hughes, Dubberley et al. 2012) found that stable housing reduced re-offending by one-fifth in the sample population involved in the research. Similarly, another study found that housing can reduce recidivism (Gojkovic, Mills et al. 2012).

Barriers to appropriate housing for ex-prisoners include lack of affordable housing, discrimination in the private rental sector, lack of public housing and poor release planning.

AIHW data on SHS clients who recently exited custodial settings, including correctional facilities, youth justice detention centres and immigration detention centres shows that:

- → In 2014–15, 3 per cent of all SHS clients (6,866 persons) were identified as exiting from a custodial setting (up from 2% in 2011–12).
- → The majority of clients who exited custodial settings in 2014–15 were male (78%) and aged between 25 and 44 (60%) (AIHW 2015).

#### 2.5.6 People leaving care

People who are not in stable accommodation after leaving health (hospital, psychiatric hospital or unit, disability support, rehabilitation, aged care facility) or social care (transition from foster care/child safety residential, or transition from other care arrangements) arrangements are highly vulnerable to homelessness.

→ In 2014–15, over 6,000 clients or 2 per cent of specialist homelessness service clients were identified as leaving care (AIHW 2015).

- → The proportion of clients leaving care and seeking assistance from SHS has remained relatively stable over the four years of SHS collection to 2014–15.
- → Taking into account changes in population size, the rate of service use by clients leaving care has increased.
- → Of clients leaving care, 1 in 5 was leaving a psychiatric hospital (22%), with the next most common being hospital (16%) or rehabilitation (15%). The definition of clients leaving care (for the purposes of SHS) also includes those seeking assistance for transitioning care (27% of clients).
- → The majority of clients leaving care in 2014–15 were men (56%) and 22 per cent of the male clients were aged 35–44 years. Women tended to be younger with nearly 1 in 4 aged 18–24 (24%).
- → Children on care and protection orders make up only a small proportion (1%) of the homeless population and this proportion has been decreasing since 2011–12 on average by 10 per cent each year (AIHW 2015).

#### Capital city data on rough sleeping

Across Australia for any given month in 2014–15 around 8,500 of SHS clients slept rough (AIHW 2015). The majority of the 119,910 annual unassisted accommodation requests related to short-term or emergency accommodation (60%), which agencies could not meet because there was no accommodation available at the time of the request (51% of unmet requests for accommodation) (AIHW 2015).

Recent counts of rough sleepers have been undertaken in Melbourne (June 2016), Sydney (August 2016), Adelaide and Perth (February 2016). Adelaide, Melbourne and Sydney all conducted street counts (to identify the number of people sleeping rough on the streets of the central city areas), while Perth conducted a registry over a two-week period to identify homeless people and prioritise support services based on their needs.

- → The City of Melbourne counted 247 rough sleepers on 7 June 2016, a 74 per cent increase since 2014 (City of Melbourne 2016).
- → (City of Melbourne 2016).
- → The City of Sydney counted 394 people sleeping rough on 2 August 2016. Down from 486 rough sleepers in February 2016 but an increase since the count in August 2015 (352) (City of Sydney 2016).
- → Adelaide surveyed 127 rough sleepers in their inner city rough sleeper street count in February 2016. Not having any other accommodation options (45.8%) and being unable to afford accommodation (9.6%) were the main reasons given by respondents for sleeping rough (Department of Communities and Social Inclusion 2016).
- → In Perth, 307 individuals and 7 families sleeping rough participated in Registry Week (Ruah Community Services 2016). Once housed in long-term affordable housing, only a small percentage of respondents (6.8%) required only brief assistance. The majority of respondents would need short-term (46.6%) or ongoing support (46.6%).
## 2.5.7 Older people

There is a growing trend for people to become homeless later in life. This is particularly evident for women. Homelessness experienced later in life is not often the result of past periods of homelessness. It is often triggered by particular events. While the literature and policy-makers have long understood the risk factors of homelessness for older people (such as divorce, separation, loss of partner, ill health, disability), new risk factors are emerging. For the younger old, employment insecurity becomes a risk factor, as households are less able to afford housing. For the older old, low-income housing options are in short supply and trigger events can accelerate and intensify the risk of homelessness. The lower superannuation contribution for women is also a risk factor to them being at risk of homelessness in older age. For older people who fall out of home ownership, they are more likely to require housing assistance. The need for housing assistance is likely to be persistent.

SHS are not used widely by older people and SHS providers may not be well equipped to assist older people living precariously to exit homelessness (Petersen, Parcell et al. 2014).

- → From 2011–12 to 2014–15 the number of older clients seeking assistance from SHS has increased from 7 older clients per 10,000 population to 8 per 10,000 (AIHW 2015).
- → Older people represent one of the growing populations seeking assistance from specialist homelessness agencies. While the proportion of older clients is small (7% in 2014–15), this client group has experienced an average annual growth rate of 8 per cent each year (AIHW 2015).
- → The median duration of required support for older clients has increased, suggesting these clients are presenting with potentially more complex issues taking longer to resolve and are having greater difficulty in finding suitable housing (AIHW 2015).
- → In 2014–15, older clients were more likely than the broader SHS population to be male (46% compared with 41% of all clients). This group had a much larger proportion of lone persons compared with younger age groups (AIHW 2015).
- → Older clients were less likely to be homeless on presentation than younger clients. For example, 33 per cent of clients aged 55 and over were homeless on presentation compared with 43 per cent of the broader SHS population (AIHW 2015).
- There were three main reasons older people most commonly reported for seeking assistance: financial difficulties, domestic and family violence and housing crisis (all 18%) (AIHW 2015).

## 2.5.8 Young people presenting alone

Young people under the age of 25 make up a significant proportion (42%) of the homeless population (ABS 2011). In 2014–15, 16 per cent of all clients (41,780 people) accessing SHS were young people (aged 15–24) who presented alone (AIHW 2015).

- → The rate of service use by young people presenting alone to SHS agencies has decreased from 18 per cent 2011–12 to 16 per cent in 2014–15.
- → Domestic and family violence or housing crisis remain the most common main reasons why young people presenting alone are seeking assistance.
- → The most common needs identified for young people presenting alone were accommodation related, including short-term or emergency accommodation (39%), medium-term/transitional housing (35%) and long-term accommodation (37%).
- → Most (61%) of young people presenting alone with an identified need for short term or emergency housing were provided assistance. This proportion is lower than the general SHS client population (66%).

- → Compared with the overall SHS population, young people presenting alone were more likely to be identified as needing assistance with living skills/personal development (33% compared with 20%), education (19% compared with 9%), employment (13% compared with 5%) and training (12% compared with 5%).
- → The need for these services was unmet in some cases: 20% for those who identified needs for education, 26% for employment and 27% for training assistance (AIHW 2015).

# **3** Types of homelessness responses

Homelessness programs generally target specific client cohorts at specific stages of homelessness. Homelessness responses range from preventative measures for those who are at risk of losing their tenancies, to assertive outreach programs for those experiencing chronic homelessness:

- → Prevention and early intervention (for those at risk of homelessness) aims to sustain people in their current accommodation. It includes approaches that enable women experiencing domestic violence to stay safely in their own home and identification of atrisk children, young people and families using a 'coalitions of schools and services' model.
- → Rapid re-housing (for those who have recently been identified as homeless) identifies people as soon as they become homeless and works quickly to stabilise their housing arrangements. This includes helping to identify affordable private rental, social housing or other secure housing. Rapid re-housing, where necessary, is coupled with supports to stabilise and sustain the housing arrangement.
- → Crisis and transition responses (for those who require short-term crisis accommodation while their housing situation is resolved) incorporates the provision of safe and supported crisis, transitional and other non-permanent accommodation, with a focus on assisting the homeless person or family to move quickly into permanent housing.
- → Intensive responses (for those who are chronically homeless and/or have complex needs) includes assertive outreach for rough sleepers and chronically homeless people and Housing First approaches where long-term housing is linked to support. This response recognises that once a person has been homeless for some time, more intensive interventions are required to assist that person out of homelessness.

Across this range of service responses, the literature identifies as best practice the importance of a **client centred approach** in order to prevent or address the client's homelessness. A client centred approach places the client at the centre and determines the service response by taking into account the individual's circumstances and needs. The two key instruments for achieving a client centred approach are **service integration** (e.g. mental health and homelessness services) and **case management**.

## **3.1** Service integration

Homeless people are more likely to experience mental health conditions and substance use disorders than those who are not homeless (Flatau, Conroy et al. 2010: 1). It is common for homeless people to need support from a range of agencies, including specialist homelessness agencies (providing personal and social support and emergency and medium-term accommodation); alcohol and drug treatment services; mental health services and a range of other services. However, the agencies providing these services may work independently from each other. Because of the recognised problems with a disconnected approach, it is now common in policy and service delivery contexts to promote integrated arrangements as the way forward in meeting the needs of homeless people.

Service integration can be defined as:

...structures and processes that attempt to bring together the participants in human services systems with the aim of achieving goals that cannot be achieved by those participants acting autonomously and separately. These goals include greater coherence and cohesion, efficiency, effectiveness, and consumer accessibility. These structures and processes may occur at the policy or service delivery levels, or both, and can involve several different modes and instruments of integration (Jones, Phillips et al. 2007: 9–10).

In human services, improved client outcomes are one of the main objectives, especially when coordinating a range of services for people with complex needs. Many integration initiatives fail to achieve their objectives due to implementation difficulties. Furthermore, the goals of integration may involve trade-offs among objectives. For example, greater efficiency may come at the price of reduced access or choice for consumers. Integration may or may not be an appropriate response to a problem and will involve costs as well as benefits and often will involve secondary or unintended consequences (Jones, Phillips et al. 2007).

#### Effectiveness of service integration approaches

Flatau, Conroy et al. (2010) reviewed the literature on the effectiveness of particular models of homelessness and health care integration and found no robust evidence on the extent and effectiveness of integrated care arrangements surrounding homelessness in Australia. However, they found limited evidence from the international literature, including on the Access to Community Care and Effective Services and Support (ACCESS) program in the US.

The ACCESS program aimed to increase the integration of services across different human service domains through site-specific development strategies and to determine the impact of these strategies on client functioning, quality of life and housing for homeless clients with mental illness (Flatau, Conroy et al. 2010: 18). Nine experimental sites from nine US states were randomly selected for the implementation of integration strategies. Nine comparison sites from the same states were also selected. All of the 18 sites received funds to support Assertive Community Treatment (ACT) options. ACT is defined as 'an integrated treatment that brings together providers from various disciplines to work together as a unified team with a single leader, a common location, and a shared caseload' (Flatau, Conroy et al. 2010: 18). The study was concerned with examining the difference that the introduction of formal systems of integration have on client outcomes as opposed to the use of interdisciplinary teams of workers as occurs in the case of ACT.

In a review of the research conducted in relation to the ACCESS program, Goldman, Morrissey et al. (2002) found that practical strategies for the integration of services can be identified and implemented, but that the implementation takes time and requires technical assistance and resources integration. In terms of client outcomes, clients at all 18 sites in the demonstration showed improvement from the introduction of ACT programs. The sites that implemented integrated care strategies in addition to ACT options produced improved housing options, but there was no extra improvement, compared with the other nine sites, in terms of client health and social outcomes.

Keast, Waterhouse et al. (2012) investigated the efficacy of service integration within and between service systems as a response to homelessness in QLD. They found a modest overall improvement in homelessness service integration in 2008–2011, partly due to enabling policies and enhanced funding. Key integration mechanisms identified included:

- → interpersonal relationships
- → dedicated coordination roles
- → case coordination initiatives
- → localised outreach programs
- → formalised relationship mechanisms (e.g. Memorandums of Understand (MoUs)).

The authors note that although operating at a functional capacity, the four service systems examined were strained and gaps continued to limit optimal service delivery outcomes. An institutional framework that facilitates and embeds integrated working and processes into the system is necessary to ongoing integrative sustainability.

## 3.2 Case management

Case management provides a framework to coordinate and provide services to people with complex needs.

Case Management is a process, encompassing a culmination of consecutive collaborative phases, that assist Clients to access available and relevant resources necessary for the Client<sup>1</sup> to attain their identified goals. Key phases within the case management process include: Client identification (screening), assessment, stratifying risk, planning, implementation (care coordination), monitoring, transitioning and evaluation. (Marfleet, Trueman et al. 2013)

Case management models are differentiated by the degree of the case manager's clinical involvement with clients. These range from a brokerage model (bringing services in, including private agencies) to an intensive case management model (providing outreach, therapeutic and practical support).

Advocacy and/or brokerage at both the client level and system level are considered integral aspects of case management approaches.

Contemporary models of social work intervention, such as the 'strengths-based' perspective have influenced case management theory considerably. Strengths-based case management provides a conceptual basis for transforming practice away from pathologising discourses and towards a focus on resilience and possibility. A trauma informed approach is increasingly used, especially in the contexts of young people leaving residential care, people leaving domestic and family violence, and Indigenous and culturally and linguistically diverse communities.

### Effectiveness of case management approaches

Good case management has been specifically identified in the literature as a critical success factor in a number of programs aimed at improving housing outcomes and preventing or addressing homelessness. These include the Housing and Support Program (HASP) for people with disabilities in Queensland (Meehan, Madson et al. 2010); the Intensive Intervention Program (IIP) for Indigenous tenants in public housing (Flatau, Coleman et al. 2009); and discharge planning programs for people exiting prison (Backer and Howard 2007).

# **4** Cost effectiveness of homelessness services

Housing, homelessness and human services programs incur significant costs to governments. Under increasing fiscal pressures, governments are looking for ways to maximise cost effectiveness of government services. However, cost effectiveness studies are extremely difficult to undertake. Key issues relate to:

- → How to rigorously account and calculate the costs of all government services (including homelessness specific and allied services such as health care or justice) an individual may use both for a short period of time or over a life time and how to extrapolate these costs across the diversity of the homelessness population?
- → How to determine the best method to calculate the financial value and effectiveness of homelessness programs (e.g. cost benefit analysis or cost effectiveness)?
- → How to coordinate and link data sets across government to effectively measure the value and effectiveness of intervention programs?

These questions remain largely unanswered in the evidence-base, especially at the system level where only a small number of cost benefit and cost effectiveness analyses of homelessness services have been undertaken in Australia and internationally.

## 4.1 Definitions

The financial benefits of program interventions can be analysed in a number of ways. The methods used to calculate financial benefits or savings to government vary and are often conflated. This section briefly defines and differentiates between cost effectiveness, cost benefit and cost offset analyses.

- → Cost effectiveness calculates the cost of a program and measures this against outcomes. For example, the total cost of a program (x) is divided by the unit of effectiveness (y). 'The unit of effectiveness is any quantifiable outcome central to the program objectives', for example number of people housed (Johnson, Parkinson et al. 2012: 27). The cost effectiveness value is then expressed in dollar values, such as the cost to house an individual. The dollar value can then be used to measure or compare against other programs with similar outcomes.
- → Cost benefit uses both program costs and outcomes. In contrast to cost effectiveness, program outcomes are given dollar values. These values are also expressed as a ratio, where the program outcomes, expressed in dollar values (y) are divided by the cost of a program (x). This method measures and incorporates broader benefits across a range of potential dimensions including, for example, increased employment, better health, reduced crime, or increased property and income tax revenues.
- → Cost offset presents both costs and outcomes in dollar terms and estimates the potential savings associated with the outcome of a program. Cost offset makes it possible to draw cost offset findings from cost benefit analyses. In an evaluation of an existing intervention, cost offset analysis would show the costs of the use of a service (i.e. health or justice) as a monetary sum against which to offset the financial costs of the intervention aimed at prevention (Pinkney and Ewing 2006: 19–20).

Irrespective of the method used to determine the financial benefits of homelessness programs to government, the calculations rely on a number of key assumptions:

- → the dollar value ascribed to outcomes
- → that a program demonstrates measurable positive outcomes for clients.

## 4.2 Homelessness services and value for money

The evidence nationally and internationally has demonstrated that homeless people use health and justice services at a greater degree than the general population. As a consequence, any intervention into preventing or reversing homelessness will provide significant cost savings to government, particularly in the areas of health and justice. The evidence clearly demonstrates that early intervention and prevention of homelessness can also reduce the use, and therefore cost, of homelessness specific services. In summary, the key findings from the evidence-base about cost effectiveness of homelessness services are:

- → Early intervention and prevention programs can provide savings to government.
- → Successful homelessness programs that have positive client outcomes have been found to provide savings to government.
- → The savings to government from successful government services are primarily found in the health and justice sectors.
- → Homelessness services that successfully stabilise housing produce savings to government. The savings per year and over a lifetime have been found, both in Australia and internationally, to be significant.
- Supported housing reduces costs associated within the justice system, detoxification facilities, emergency health services, mental health services, ambulance and other transport costs.
- → Early intervention for young people at risk of homelessness can reduce negative outcomes and create significant short and long term savings to government.
- → Youth exiting care who do not have effective preparation for independent living can incur significant costs to government over a lifetime, not only in housing.

In addition to the savings to government in health and justice, effective interventions into homelessness can come from creating housing stability. The evidence shows that housing insecurity plays a significant role in the rising levels of temporary homelessness.

The ability to assess or quantify the level of savings attributable to homelessness interventions is important to government. The literature illustrates that the ways to calculate cost effectiveness of homelessness services and actual dollar value of savings are complex. As such, the quantum of savings is open to debate.

The categorical enumeration of either cost effectiveness, cost benefit or cost offset is difficult, not least because homelessness is a multi-faceted social phenomenon and both costs and outcomes occur in a range of dimensions (Berry, Chamberlain et al. 2003: 9–12; Pinkney and Ewing 2006: 115–118). Berry, Chamberlain et al. note that the costs and benefits relate to the individual, to government and to society, and occur across the domains of housing, health/welfare, justice and education, training and employment (Berry, Chamberlain et al. 2003: 3). A recent AIHW study (2012) undertook an analysis of linked Supported Accommodation Assistance Program (SAAP), juvenile justice and child protection data from Victoria and Tasmania. The study found that:

→ Young people involved in one sector are more likely to be involved in one of the other two.

- → Young people with child protection histories enter juvenile justice services at an earlier age.
- → Young people, particularly women completing a detention sentence, are at a greater risk of homelessness.

What this analysis shows is that homelessness and the risk of homelessness are related to a wide range of other government services. As such, savings and benefits in one area can significantly benefit other sectors.

### 4.2.1 Supportive housing

Notwithstanding the difficulties outlined above, US studies have convincingly demonstrated that the costs of assisting the chronically homeless with supportive housing were either cheaper or close to breakeven compared to the costs of emergency shelters and other emergency services (Culhane 2008). The first of these studies, an influential and ground-breaking study using administrative data for large scale cost analysis by Culhane, Metraux et al. (2002), sparked a range of similar 'cost studies' that have been important advocacy tools in the movement to end homelessness with 'Ten-Year Plans' (Culhane 2008).

Chase, Da'ar et al. (2012) undertook a more recent analysis of the return on investment in supported housing in Minnesota (USA). The research found that while supported housing is costly overall, there are demonstrable cost offsets and savings generated in other government services:

- → mental health service usage increased but was offset by savings to the justice system (incarceration)
- → increased employment and wage gains provided tax revenue
- → reduction in crime and incarceration (from 48% to 14%) after entering supported housing translated to a saving of \$453 million over one year.

In Australia, the *Michael Report* commissioned by Mission Australia (2012) assessed the outcomes for homeless men in Sydney. Like the research undertaken by Chase, Da'ar et al. (2012), the *Michael Report* found that men who were provided with temporary accommodation or outreach support in addition to specialist support services achieved positive outcomes in the first 12 months. These included:

- → increased employment and income
- → increased social participation
- → decreased use of the health system and an estimated annual cost saving for health services per client of \$8,222.

Culhane and Byrne (2010) assessed the cost effectiveness of supported accommodation particularly that targeted to the chronically homeless. The researchers showed that supported housing produced a reduction in acute health and hospital usage. Culhane and Byrne also cited a study in San Diego that assessed the mental health costs associated with a housing initiative. The study found a 41 per cent decline in inpatient and emergency mental health services subsequent to entry into the program. These savings offset the increased case management and outpatient services required by the program.

Supported housing programs, according to Culhane and Byrne (2010) have also been found to reduce costs associated with the use of:

➔ homelessness shelters and services

- → justice system (including courts)
- → detoxification facilities and services
- → ambulance and transport costs.

The cost offset averaged \$2,449 per client after six months.

These findings are supported by Poulin, Maguire et al. (2010) who undertook an analysis of chronically homeless people with mental health issues in Philadelphia. The research found that this particular group of clients incurred substantial costs to the service system. The study calculated the cost offsets of supported housing and found savings of \$7,500 per person per year which amounted to a \$20 million saving in Philadelphia annually.

### 4.2.2 Homelessness program evidence

A significant Australian review of research into the costs and benefits of responding to homelessness finds sufficient evidence to conclude that programs to assist homeless people can result in direct cost-savings to government and provide broader benefits to the individual and the community (Berry, Chamberlain et al. 2003: 12–3).

Berry, Chamberlain et al. identify a number of quantitative studies worth highlighting here, while remembering that these cost enumerations focus on the chronically homeless. Berry, Chamberlain et al. caution that all studies necessarily assess a limited set of costs and are therefore likely to have under-estimated cost-savings or benefits. In particular, the use of drop in centres, soup kitchens and employment services, especially non-government funded services, tend to be excluded (Berry, Chamberlain et al. 2003: 10).

Examples of other studies include:

- → An influential US study by Culhane, Metraux et al. (2002) tracked around 4,500 homeless people over four years, pre and post placement in a supportive housing program. Using administrative data from multiple agencies, they found a reduction of US\$16,281 in the costs of shelter use, incarceration and hospitalisation for people with severe mental illness. This saving nearly covered the cost of providing the supportive housing (a net cost of \$US995 per year).
- → A Canadian study (Eberle, Kraus et al. 2001) assessed service-provider data over five years and found that housing the homeless can provide potential cost savings in the order of 30 per cent in the areas of criminal justice, social services and health care.
- → Salit, Kuhn et al. (1998) identified the hospitalisation costs associated with homelessness in New York City. This study found that homeless patients stayed an average of 4.1 days or 36 per cent longer than other patients after controlling for diagnosis, had higher rates of substance abuse and mental illness and other characteristics. The costs associated with the additional hospital stays ranged from US\$2,414-\$4,094 per patient. The sample compared data on 13,690 homeless people, 255,870 low-income public and private hospital patients, excluding pregnant women.

Gaetz (2012) cites a range of studies undertaken of the costs of Canadian homelessness services that replicate the findings mentioned previously:

- → A 2001 study estimated that it cost \$30,000-40,000 annually in British Columbia to support an individual homeless person.
- → A 2005 study of annual costs of services included:
  - o prison/detention/psychiatric hospital: \$66,000–120,000
  - emergency shelter: \$13,000–14,000

- affordable housing support: \$5,000–8,000
- supportive and transitional housing: \$13,000–18,000.
- → A 2008 study in Calgary estimated the annual costs of support (including health care, housing and emergency services) for:
  - → transient homeless: \$72,000
  - → chronically homeless: \$134,000.
- → A 2008–09 report found that the annual cost of incarceration was \$106,000 for males and \$203,000 for women.
- → A 2010 study reported the annual cost for hospital use for a housed person was \$524. For a homeless person, the cost was \$2,495.

#### 4.2.3 Australian homelessness program evidence

AHURI has published a number of significant Australian primary studies on the costeffectiveness of homelessness programs:

- → The cost-effectiveness of homelessness programs: a first assessment (Flatau, Zaretzky et al. 2008)
- → The cost of homelessness and the net benefit of homelessness programs: a national study: findings from the Baseline Client Survey (Zaretzky, Flatau et al. 2013).
- → The cost of homelessness and the net benefit of homelessness programs: a national study (Zaretzky and Flatau 2013)
- → The cost effectiveness of Australian tenancy support programs for formerly homeless people (Zaretzky and Flatau 2015).

Taken together these studies make a clear point that homelessness services provide savings to government and provide shelter and non-shelter outcomes to clients.

Flatau, Zaretzky et al.'s early study (2008) is consistent with the international evidence and found that assistance programs are effective and provide potential savings to government of more than double the cost of providing homelessness assistance. They calculated a cost offset by costing the difference between the average service use by the general population and the average service use of homeless people prior to receiving support (as empirically determined by the study). This 'cost offset' is the potential savings if a homelessness program can normalise service use in line with the mainstream population.

The study found that across all the programs considered, this potential cost offset is more than double the cost of delivering the programs (Flatau, Zaretzky et al. 2008). For example, the cost per client for SAAP Single Men clients is \$4,625 and the associated population offset is \$10,212, resulting in a net cost saving of \$5,587 per person per year (Flatau, Zaretzky et al. 2008: 145).

A nuance to this overall finding is that for the small sample of clients who were able to be followed up after 12 months (35 compared to 179 in the initial wave), justice costs declined but health service use rose compared to the year prior to receiving support. The result was driven by hospital stays for clients with pre-existing significant mental health issues and suggests that support programs delivered increased access to needed services (Flatau, Zaretzky et al. 2008: 142–143).

The study also found evidence of positive outcomes across a range of dimensions including better housing, employment (slight improvement), feelings of safety and better quality of life (Flatau, Zaretzky et al. 2008: 3–6).

A recent AHURI update to this work (Zaretzky and Flatau 2013; Zaretzky, Flatau et al. 2013) extends the previous findings. The research examined four homelessness programs:

- → supported accommodation programs for single men
- supported accommodation programs for single women, including women escaping domestic/family violence
- → tenancy support programs for persons at risk of losing an existing tenancy
- → Street to Home programs.

Programs included in the study were located in inner city, metropolitan and major regional centres and the assessment period was from October 2010–May 2011.

The study established that:

- → Homeless people are heavy users of a vast array of government services, particularly health and justice. Hospital stays represent a large component of the service usage.
- → People at risk of homelessness use non-homelessness services to a greater degree than the general population.
- → Health and justice costs are higher among the homeless population than the general population. Of these costs, health related costs are significantly greater than justice.
- → Successful interventions into homelessness have the potential to decrease welfare payments, increase taxation receipts ad decrease expenditure associated with placing children in care and expenses related to evictions.

Table 9 below shows Zaretzky and Flatau's analysis of the cost offsets of the four programs annually and over a lifetime.

|                 | Mean cost of non-homelessness service use |                 |  |
|-----------------|---|-----------------|--|
| Program         | Annually/client                           | Lifetime/client |  |
| Single men      | \$44,137                                  | \$1,058,491     |  |
| Street to Home  | \$14,712                                  | \$352,826       |  |
| Tenancy support | \$18,201                                  | \$436,492       |  |
| Single women    | \$23,352                                  | \$560,016       |  |

#### Table 9: Cost offset of homelessness programs

Source: (Zaretzky, Flatau et al. 2013)

The study found that:

- Homelessness programs provide cost savings to government and improve client outcomes.
- → Homelessness programs improved housing, health, social relationships and, more modestly, employment outcomes of clients.
- The programs yielded average cost savings to government of \$3,685 per client per year by reducing the use of non-homelessness services (health, justice and welfare), though this only partly offsets program costs.

These findings are examined in more detail below.

Table 10 below provides a summary of the costs and net benefit of homelessness programs. For supported accommodation services, recurrent funding was \$3,022 per client per year, but this increased to \$4,890 per client per year once the opportunity cost of capital employed in providing client accommodation and indirect recurrent costs was considered.

The cost offset varied by cohort and in some instances an increase was observed. All cohorts reported a slight increase in welfare payments, associated with a decrease in time where no income was received. Costs increased for those clients whose health issues had previously not been addressed. However, the economic case for interventions is robust since all programs resulted in improved client outcomes, although it may take several years before outcomes are sufficiently stabilised for associated savings to be observed.

- Homelessness programs for single women achieved very significant net benefits, with the costs of providing the programs offset by reductions in health, justice and welfare costs.
  - Funding programs for women and those escaping domestic violence actually saved governments money in the short term, making these programs highly cost effective.
  - For single women's services, the program cost was completely offset by mean savings in the non-homelessness area (mainly in the area of health). Net savings on recurrent funding were made of \$5,898 per client per year, or savings of \$4,030 per client per year once all costs were considered.
  - Single women's services identified a large reduction in average non-homelessness costs of \$8,920/client. This was largely driven by a large decrease in health costs of \$9,295/client. Small increases were observed in average justice and net welfare costs.
- → For single men's services the mean reduction in non-homeless costs was \$1,389. Although health costs increased for single men under the program (by average \$4,620 per client per year), justice costs fell dramatically by \$6,447 per client per year. This means the program cost for single men's supported accommodation services were partly offset, resulting in a whole-of-government recurrent cost of \$1,633 per client per year, or \$3,501 per client per year when considering all costs.
- → For tenancy support programs, direct recurrent funding averaged \$1,970 per client per year. Costs associated with health, justice and welfare actually increased under these programs (mainly due to increased uptake of health services). The net increase in non-homelessness cost resulted in a whole-of-government cost of \$3,904 per client per year, or \$3,961 when capital costs were included.
  - The use and associated cost of non-homelessness services increased by \$1,934/client in the period after support. Justice costs were lower (by \$1,540/client) but this was more than offset by an increase in health costs of \$3,448/client and a small increase in net welfare payments.
  - Tenancy support clients reported that of their total health costs in the follow-up period, \$3,534/client was incurred as part of their homelessness support plan (compared with none in the baseline period). Thus, the high cost of health services is, at least in part, associated with appropriate use of these services to meet the needs of this client group and, as such, should be considered to be an integrated part of the cost of providing homelessness support. In short, health needs are being met where previously they were not.

# Table 10: Homelessness programs: government cost/client (states) net of change in cost of non-homelessness services (2010–11)

| Government program cost/client (\$)  | Supported accomm        | nodation Te        | nancy support          |
|--|-------------------------|--------------------|------------------------|
| Recurrent program funding  | 3,022                   |                    | 1,970                  |
| Recurrent program funding, indirect recurrent cost* plus opportunity cost of capital               | 4,890                   |                    | 2,027                  |
| Change in cost of non-homelessness services–<br>Cost offset/client (\$)                            | _                       |                    |                        |
|  | Supported accommodation |                    |                        |
|  | Single men's            | Single women's     | <b>Fenancy support</b> |
| Mean change—health justice and net welfare payments  | -1,389                  | -8,920             | 1,934                  |
| Government program cost/client, net of<br>mean change in cost of non-homelessness<br>services (\$) |                         |                    |                        |
| Net direct recurrent program cost  | 1,633                   | -5,898             | 3,904                  |
| Net direct and indirect recurrent cost* plus opportunity cost of capital                           | 3,501                   | -4,030             | 3,961                  |
| opportunity cost of capital  * Indirect costs include government administrati                      | on costs and costs of   | property maintenan | ce and                 |

management.

Source: (Zaretzky and Flatau 2013: 8)

In relation to non-shelter outcomes, the study found that homelessness programs improve client outcomes. Clients reported:

- ➔ more stable accommodation, improved access to health services, improved social relationships and general perceptions of overall satisfaction with life
- improved access to a stable income source and a very small improvement in employment outcomes (welfare payments remained the main source of income for most respondents).

Homeless programs were less effective, in the short term, in improving clients' employment and financial circumstances.

All client cohorts reported minimal change in relation to employment and financial circumstances at the conclusion of the study. Most respondents still relied on welfare payments as their main income source; a large proportion still reported accommodation related problems associated with a lack of money; and only 40 per cent reported feeling better about their financial situation compared to their situation prior to the support. The lack of improvement in financial circumstance results in continued housing vulnerability and must become a point of greater focus for homelessness strategies in the future.

The research in Australia has also been augmented by the work of Baldry, Dowse et al. (2012) who undertook a lifetime cost analysis of homelessness services in Australia. The report reaffirmed the previous studies undertaken both in Australia and internationally that uncoordinated homelessness programs are extremely expensive. The study was concerned with the snapshot approach traditionally undertaken in these cost effectiveness studies. Baldry, Dowse et al. (2012) linked a large number of data sets to develop unit costs for individual client interventions used by homeless people.

The analysis suggests the following average costs:

- → criminal incident—\$1,563/incident
- → child protection report—\$1,860/report
- → out of home care \$125/day
- custody—\$801/night
- → community supervision—\$111/day
- → conferencing—\$637/referral; \$2,760/conference
- → legal representation—range \$805/local court case; \$16,497/district court trial
- → legal advice—\$34/advice
- → participation in community justice program—minimum \$3,450/year
- → mental health inpatient treatment—\$770/day
- → hospital stay—\$4,164/discharge
- → housing—\$76/day.

The report then traced the lifecourse of individuals (n=11) to summarise their agency contacts and estimate the cost of interventions. On the basis of the individuals used in the study, the lifetime costs ranged from \$900,000 to \$5.5 million. Those individuals with the highest lifetime costs include people whose interventions escalated substantially over time.

## 4.2.4 The cost of youth homelessness

A recent national study by MacKenzie, Flatau et al. (2016) examined the cost to government of youth homelessness. The study, which covered 60 programs in Victoria, Western Australia, New South Wales, the ACT, SA and QLD, was undertaken over a period of four years and followed more than 400 young people who were either homeless or at very high risk of homelessness. The study provides the main results on the economic costs of youth homelessness in comparison to another group of disadvantaged young people who were not homeless but who were unemployed. This comparison provides a net average cost difference that can be attributed to homelessness.

The study found that the costs associated with young homeless people's use of services such as health and the justice system were much higher than for the comparison group.

- → The costs to the Australia economy of health services associated with young people experiencing homelessness is an average of \$8,505 per person per year or \$355 million across all young people aged 15–24 accessing SHS. This is \$6,744 per person per year more than for long-term unemployed youth (another key group of disadvantaged youth).
- → Homeless young people are much more likely to have contact with the criminal justice system than the general population or other disadvantaged young people, who are long-term unemployed but not homeless. The cost to the Australian economy is an average of \$9,363 per person per year or \$391 million across all young people aged 15–24 accessing the SHS system. This is \$8,242 per person per year more than for long-term unemployed youth.
- The total cost to the health and the justice systems due to young homeless people is an average of \$17,868 per person per year (\$14,986 more per person per year than for unemployed youth). These costs do not include the additional lifetime impact of early school leaving and low engagement with employment.

→ On the basis of 41,780 young people aged 15–24 years who were clients of SHS in 2014–2015 and present alone rather than in a family group, the total cost to the Australian economy of additional health and justice services is an estimated \$747 million annually. This exceeds that total cost (approx. \$619 million) of providing SHS to the 256,000 (young and old) assisted by the system over the same period.

## 4.2.5 Cost of youth exiting care

A study by Raman, Inder et al. in 2005 provides important insights into the cost of youth leaving care of the state. They found that participants were leaving the care system in Victoria at age 18 or earlier, without the proper preparation to enter adult life independently. The research concluded that young people exiting care did not have a plan for the future; one-third of the case plans for youth exiting care focused on moves into the homelessness service system; and less than a third had completed VCE level education. The implications of these findings were that young people exiting care were likely to:

- → be vulnerable to unemployment
- → utilise homelessness services, particularly given case plans and that participants from this study demonstrate high levels of instability in their housing situations with nearly half moving more than 10 times in 12 months
- → have high levels of dependence on the state when these individuals should be transitioning to independence.

Raman, Inder et al. (2005) set out to quantify the tangible costs incurred by the Victorian Government in the process of supporting young adults who have been in care. For example, Raman, Inder et al. (2005: 55) investigated the cost of youth care leavers to government by:

Tak[ing] the life outcomes of the 18–25 year old young participants and estimate[ing] the total average cost to the State. Costs are calculated on a per person per annum basis, and then total lifetime costs are computed. All costs are using 2004/05 dollars (present value terms).

Raman, Inder et al. (2005) put this figure at \$738,741 and noted that any improvement to a young person's leaving care status could reduce this gap and become a cost saving to the state. For example, if a support program for young people leaving care could produce a 10 per cent improvement in life outcomes for just one person; this would save the state around \$74,000 over the course of that person's life (10% of \$740,000). Accordingly, an investment by the state of up to \$74,000 per person in that support program would be justified because the benefit realised through cost savings would outweigh the costs incurred from the investment (Raman, Inder et al. 2005: 60).

The importance of lifetime costs of juveniles leaving care to state budgets are exemplified by the fact that there are 450 care leavers each year in Victoria, therefore the saving gap of \$738,741 x 450 is the equivalent of \$332.5 million.

The analysis suggests that interventions may be initially costly, but if effective will decrease the costs to the state over time because young people are more likely to be less dependent on the service system into the future.

### 4.2.6 Costs of early intervention—youth at risk

A study by Cohen, Piquero et al. (2010) estimates the costs of negative outcomes for at-risk youth and presents the positive outcomes of early childhood interventions.

Cohen, Piquero et al. (2010) present findings from two previous studies:

- → Cohen's (1998) research estimates the monetary costs of diverting high-risk youth and attempts to calculate the costs of crime. The study found that the typical career criminal caused US\$1.3 to US\$1.5 million in external costs with a heavy drug user incurring approximately US\$370,000 to US\$970,000 in costs and a high school dropout incurring approximately US\$243,000 to US\$388,000 in costs. After eliminating the duplication between crimes committed by individuals who are both heavy drug users and career criminals, the results suggested an overall estimate of the 'monetary value of saving a high-risk youth' being between US\$1.7 million and 2.3 million.
- → Cohen, Piquero et al. (2010) extended Cohen's (1998) estimates with improved methods and new data and estimated the present value of diverting a high-risk youth (at birth) to range between US\$2.6 and US\$4.4 million.

Cohen, Piquero et al. (2010) review the literature on well-designed early childhood interventions that address a particular selection of social problems. The 2010 study offers calculations of the present value of lifetime costs imposed on society for each of the social problems (discounted to the date of birth to put them on comparable terms). The study finds that:

- → The largest cost is imposed by the career criminal: US\$2.1 to US\$3.7 million.
- → The value costs associated with both drug abuse and alcohol dependence/abuse are about US\$700,000 each.
- → Child abuse and neglect costs an estimated US\$250,000 to US\$285,000—most of which is the cost of abuse or neglect to the child, with the remaining amount being an estimate of the costs imposed by increasing the risk that the abused child will subsequently become a criminal offender.
- → Health-related outcomes range from a low US\$10,300 for the estimated value cost of low birth weight, to US\$127,000 for coronary heart disease, US\$144,000 for asthma, US\$187,000 for diabetes and US\$260,000 for smoking.
- → The value cost of teen pregnancy is estimated to range from US\$120,000 to US\$140,000.

Cohen, Piquero et al. found that early childhood intervention can deliver positive outcomes and, therefore, potentially significant cost savings:

- → Early childhood intervention, especially home visitation, is successful in preventing or reducing child behaviour problems including crime and delinquency.
- → Early childhood interventions are effective in increasing educational attainment, preventing or reducing involvement with alcohol/drugs, along with affecting other child and maternal outcomes such as teenage pregnancy and child abuse and neglect (2010: 398).

Another example is the Seattle Social Development Project, a large-scale, school-based early intervention program, spanning Grades 1 through 6. The long-term results indicated that the children in the study demonstrated higher educational attainment, less drug and alcohol use and less involvement in a large variety of crimes by age 21.

### 4.2.7 Effectiveness of NPAH funded housing and homelessness programs

A meta-analysis of the effectiveness of housing and homelessness programs from NPAH funded service models was undertaken by Deloitte Access Economics (2014) using a cost-consequence analysis.

Services examined encompassed the following program types:

- ➔ tenancy support
- Foyer
- → support services for people leaving care and other facilities
- Street to Home
- Common Ground
- → intensive support for people with complex needs
- → long term accommodation with support
- → programs for women and children experiencing domestic and family violence
- → temporary supported accommodation.

The study found that across the nine service models, effectiveness (% of clients who achieved positive housing outcomes and non-housing outcomes such as health, education, employment and training) was mostly between 70 per cent and 90 per cent. More than half the service models had a cost per client of less than \$10,000 and almost all cost less than \$20,000 per client (Deloitte Access Economics 2014).

However, the analysis notes that findings need to be treated with caution due to the variability in the robustness of the evaluations examined.

Wood, Flatau et al. (2016) furnish a more robust analysis in their recent study of five NPAH funded housing support programs in Western Australia. The study examined the cost savings to government that resulted from the reduced use of mental and physical health services by formerly homeless or at risk of homelessness persons. The study, had a large sample size comprising 983 NPAH supported public housing tenants and 2,400 public housing tenants who were not part of the NPAH program but who accessed public housing through a priority access pathway for those experiencing or at risk of homelessness and utilised linked health and housing data in WA.

The study found that in WA, the provision of public housing was associated with reduced health service use in the year following entry into public housing as compared with the year prior to entry. An estimate of the economic impact of this reduced health service use showed a combined cost offset of \$16.4 million per year, or \$4,846 per person/year across all people in the sample (2011–2012). If priority homeless clients are excluded, the change per person with NPAH support is nearly triple this at \$13,273 per person per year.

## **4.3** Implications of cost offset data for homelessness funding

The data on cost offsets arising from the provision of SHS calculated by the various studies outlined above draws a clear picture of the importance of homelessness services in providing cost savings to other parts of the government system.

- → Flatau, Zaretzky et al.'s 2008 study found that the potential cost offset of homelessness services examined was more than double the cost of delivering the programs—in the case of SAAP, a net cost saving of \$5,587 per person per year.
- → Zaretzky and Flatau's 2013 study showed that SHS programs yielded average cost savings to government of \$3,685 per client per year by reducing the use of nonhomelessness services (health, justice and welfare), though this only partly offsets program costs. However, in some instances, such as homelessness programs for single

women, cost offsets resulted in a net saving to government of \$4,030 per client per year once all costs were considered.

→ Wood, Flatau et al.'s 2016 study demonstrated that in WA NPAH funded public housing provision to formerly homeless people resulted in whole-of-government savings of \$13,273 per person per year.

Given the not inconsiderable whole-of-government savings resulting from SHS provision to formerly homeless people, and given that the cost savings in many instances outweigh the costs of providing SHS, it stands to reason that ceasing funding for homelessness services will in fact incur costs to government once considered on a whole-of-government basis.

# **5** System effectiveness in preventing homelessness

## **5.1** Mainstream and other non-housing responses

The NPAH emphasises the need for early intervention and prevention measures alongside crisis responses. The evidence suggests the need for greater involvement of mainstream agencies (e.g. housing, health, justice, education, employment) in early intervention and prevention of homelessness for at risk groups (COAG 2015; Culhane, Park et al. 2011).

## 5.1.1 Health, education and justice improvement interventions

While the housing and homelessness sectors are intervening at the crisis and early intervention and prevention ends of the homelessness continuum, other mainstream responses are addressing the needs of at risk groups. A range of approaches and program types in allied sectors could reduce the likelihood of homelessness for at-risk groups.

#### Health sector initiatives

Health sector initiatives are targeted at a range of at-risk groups: children and young people, people with experience of mental illness, vulnerable families, older people and Indigenous people. Programs include prevention initiatives to prevent child abuse and strengthen parenting skills, early intervention to ensure individuals receive appropriate services, health promotion, life skills such as money management, crisis resolution and online programs.

### Education/employment sector initiatives

Education/employment sector initiatives are targeted at a range of specific groups including young people not in education, training or employment, young people leaving state care, and formerly homeless people. A review of the literature showed that the programs all had specific education and employment outcomes, such as engaging people in the labour force, sustaining employment, training people in industry relevant skills, and increasing wages.

Support is provided through mentoring programs, one-to-one intensive support from coaches and group support. Programs can run over a series of months as intensive training courses to ensure participants are job and work place ready.

While employment has long been recognised as a critical pathway out of housing crisis and homelessness, and while there are a number of programs to assist homeless people into employment, the review of literature also identified barriers to people participating in ongoing and sustained employment assistance. A Hanover Welfare Services study (Parkinson and Horn 2002) investigated one critical element of the system of employment assistance provided to job seekers in Australia—the Job Seeker Classification Instrument. The study found the following:

- → The 1999–2000 Supported Accommodation Assistance Program (SAAP) data showed that while 80 per cent of SAAP clients within the labour force were unemployed, only 22 per cent were assessed as in need of employment or training assistance (Parkinson and Horn 2002: i).
- → In many instances, Centrelink, as the main referral point into the Job Network, was not accurately identifying homelessness and other employment barriers (Parkinson and Horn 2002: i).

Homelessness and transience can contribute to poor communication between Centrelink and this client group, resulting in incomplete assessment of their situation, higher levels of breaching and inadequate assistance by Job Network providers (Parkinson and Horn 2002: i).

#### Justice sector initiatives

Initiatives in the justice sector often operate in combination with health and/or employment agencies for people with previous experience of the justice system (young people, women, Indigenous people) or domestic violence. Justice sector initiatives include mentoring and coaching support, transitional job programs upon release from prisons, and case work support which can link individuals with counselling, education and other support services.

#### Cross-sector initiatives targeting people exiting from care or other facilities

A number of cross-sector initiatives target people being discharged from jails, prisons, hospitals and other health care institutions, foster care or the military.

Research has shown that many homeless and at-risk people repeatedly move through mainstream systems and institutions, such as jails and prisons, state psychiatric hospitals, drug treatments programs, foster care and homeless shelters (Apicello 2010). This link has encouraged the development of prevention strategies that target this 'institutional circuit' through discharge planning efforts.

The main goal of discharge planning in the context of homelessness prevention is to ensure that people who are transitioning out of an institution are not discharged into a homeless shelter or the street and that their placements are stable enough to prevent future homelessness.

Discharge planning involves identifying and organising the services and connections a person with mental illness, substance abuse and other vulnerabilities will need when leaving an institutional or custodial setting and returning to the community (Backer and Howard 2007).

Good discharge planning weaves together people and agencies who provide services for stable and permanent housing, integrated with ongoing psychiatric and psycho-social treatment/rehabilitation, as well as community services (e.g. transportation, money management, medication management etc.) to support independent living (Backer and Howard 2007).

#### Effectiveness

Cross sector initiatives targeting people exiting from care or other facilities are effective in producing positive client outcomes, though initiatives vary significantly. On the whole, programs seem to be affective in assisting the people being discharged. However, given the complexity of the client group, the cost of providing these services are high, especially if intensive and full time support is required.

Mainstream responses to domestic violence include integrative approaches such as Staying Home, Leaving Violence schemes. These schemes play an important role in preventing homelessness for women and children escaping violence. These schemes have been found to be effective across a wide range of situations and geographical contexts.

In Queensland, the Youth Housing and Reintegration Service (YHARS) is helping young people who are exiting the care of the state (youth justice or child safety out-of-home care) on a path towards independence, including maintaining stable housing. Young people are being helped by case workers to transition towards independent living in accommodation appropriate to their needs. Accommodation options include supervised community accommodation, community managed youth studios and independent living units. At 30 April 2011, 213 young people had been accommodated through YHARS and 373 had received support (Queensland Government 2015).

In NSW, the *Transfer of Care from Mental Health Inpatient Services* policy directive sets out the principles and requirements for safe transfer of a mental health consumer's care across health settings. It particularly focuses on the ongoing care needs of consumers who are returning to the community following an episode of inpatient care or who are on approved leave from an inpatient unit. The policy sets out the treating team's responsibilities in relation to advice, information sharing and documentation to ensure continuity of care and safety are maintained during the transfer process (New South Wales Government 2012).

# **5.2** Early intervention and prevention

Many early intervention and prevention programs are not strictly housing programs and housing and SHS services are linked with mainstream services through case management and integrated services.

Data shows that prior to support, almost three in five (57%) people approaching SHS are at risk of homelessness, but not homeless (AIHW 2015). This points to significant opportunities for early intervention in the SHS. Even greater opportunities could be realised through early intervention in mainstream services. It is not clear from the data to which degree prevention strategies are used. We do know that early intervention and prevention work, are cost effective and that there have been some innovative programs.

## 5.2.1 The 'coalitions of schools and services' model

The 'coalitions of schools and services' model is a very promising model for the identification of at-risk children, young people and families and early intervention. The model aims to create place-based collective impact in order to identify young people at risk of homelessness and disengagement in school and intervene quickly to divert them from those journeys.

The Geelong Project in Victoria (MacKenzie and Thielking 2013) is an ongoing collaboration between a number of secondary schools and support services in Geelong that are directed towards preventing and responding early to youth homelessness. It uses 'population screening' to identify high risk young people so as to enable early and targeted intervention. Key transition points (e.g. leaving school) are recognised as intervention triggers and the project 'places students at the centre of a web of service provision'. Three tiers of support are assigned: active monitoring; casework and counselling; and wrap-around case management.

## Outcomes

Full evaluation is yet to be undertaken. The pilot study demonstrated that of the at-risk students identified, teachers and support staff only independently identified 30 per cent of the group as being at risk of homelessness. The remainder, when followed up, were found to be experiencing problems at home that teachers were not aware of. A central finding of the study is that students at risk of homelessness were not necessarily disengaged from school and education. Flexibility in in-take based on risk rather than eligibility criteria is seen as a key to the project's success (MacKenzie and Thielking 2013).

The Geelong Project proactively identified and intervened with 95 young people and 43 family members where homelessness and school disengagement were identified as high risk. Following The Geelong Project's intervention:

→ 100 per cent of the young people have remained engaged in school, increased engagement or returned to school

- → 100 per cent of the young people supported have retained or obtained safe sustainable accommodation
- → 86.2 per cent remained in or returned home (after leaving or regularly couch-surfing)
- → 13.8 per cent supported into alternative accommodation when home was not appropriate (The Geelong Project 2013).

## 5.2.2 Tenancy support programs

Tenancy support programs are prevention and early intervention initiatives aimed at preventing people at risk of eviction from losing their tenancy and becoming homeless.

These programs are usually short term. They encompass Private Rental Assistance (PRA) programs, which operate in all jurisdictions and typically provide financial relief in the form of bond loans and rental grants, subsidies and relief. Private Rental Brokerage Programs (PRBP) are tenant advice schemes that frequently adopt a case management model and provide targeted early intervention and assistance in the form of information, advice and brokerage services designed to build tenancy capacity.

### Examples of tenancy support programs

Victoria's Housing Establishment Fund (HEF) and South Australia's Private Rental Liaison Officer Program (PRLO) are examples of PRBPs.

The HEF is provided by the Victorian Government, in partnership with the Australian Government under NAHA. HEF is a grant program provided by homelessness, housing and support agencies to 'assist eligible clients to access and/or to maintain private rental housing, or to access emergency short term accommodation ' (DHS Vic 2015). A range of assistance measures are available under the HEF program, including: bond loans, rent in arrears, rent in advance and emergency accommodation.

In addition to the financial assistance measures described above, HEF also provides the following to people who are homeless or at risk of homelessness and accommodated through the Transitional Housing Management Program in Victoria (DHS Vic 2015):

- → property and tenancy management
- → initial assessment and planning
- → housing information
- → referral to other homelessness and allied services
- housing advocacy.

Eligibility for assistance under the HEF is assessed against the Victorian DHS's income and asset eligibility criteria for access to public housing and the Bond Loan Scheme. HEF may provide a one-off payment of a few hundred dollars per person every 12 months to assist with rental arrears, rent in advance, storage and removal costs or emergency accommodation.

Housing SA's **PRLO Program** provides advice, referral and practical assistance to private renters to help them find a property, understand their rights and responsibilities as a private tenant, and link them to relevant community and social supports.

PRLO is provided by Housing SA both in addition to and as an adjunct to, provision of PRA, which provides assistance with bonds, rent in advance and rent in arrears. Access to PRLO assistance for clients is largely contingent on being in receipt of PRA.

Eligibility for the more intensive assistance provided by one of Housing SA's Private Rental Liaison Officers is contingent on application for bond or rent in advance/rent in arrears assistance and an applicant:

- → having no previous private rental experience or history
- → having difficulty with the process of finding rental housing
- → having difficulty getting private rental housing (Tually, Slatter et al. 2015: 34).

In addition to assisting prospective tenants directly, PRLO also aims to stimulate supply-side responses by increasing the number of private rental tenancies potentially available to their clients. It does this by actively building relationships of trust with local landlords and real estate agents and encouraging confidence in their clients as tenants. Recent publicly available data on the program reveals that 1,627 clients were assisted through the program in 2011–12, including 650 people who were directly assisted into housing (Tually, Slatter et al. 2015: 34).

#### Effectiveness of tenancy support programs

Tenancy support services are effective in assisting people to maintain their tenancies and avoid homelessness. They are also cost effective.

There are different types of tenancy support programs for different cohorts, such as programs to sustain social housing tenancies, programs to sustain young person's tenancies, programs to sustain Indigenous tenancies and programs to sustain family.

The evidence nationally and internationally has shown that sustaining tenancies can:

- → prevent homelessness for those at imminent risk
- → reduce evictions
- → reduce children taken into care
- → reduce neighbourhood disputes
- → reduce rent arrears and debt
- → increase labour market and educational participation
- → increase appropriate linkages to health and social services.

A study by Tually, Slatter et al. (2016) investigating the role of PRBPs on the housing outcomes of vulnerable Australians found services generally felt that their programs were effective in assisting clients who were 'rental ready' to access the private rental market. However, there was evidence that clients were returning to PRBPs when they encountered difficulties in sustaining their tenancies, indicating that PRBPs may be effective in averting an immediate housing crisis, but that they are not equally successful in facilitating long-term secure tenancies.

Tenant support programs are also effective in assisting Indigenous people to sustain their tenancies, linking them to external support programs, meeting their non-housing needs and avoiding homelessness (Flatau, Coleman et al. 2009).

Zaretzky and Flatau (2015) undertook an Australia-wide review of NPAH programs designed to assist clients to access and maintain social housing tenancies or to support existing social housing tenants at risk of homelessness to maintain their tenancies.

Programs examined included general homelessness support to access/maintain a social housing tenancy (including programs to assist women and children escaping domestic violence), support to help Indigenous people access/maintain a social housing tenancy,

support to help young people access/maintain a social housing tenancy, transition from an institutional setting into social housing, street-to-home or Common Ground support for rough sleepers, support for existing social housing tenants to maintain an at risk tenancy and supported accommodation for young people using a Youth Foyer model.

They found that the NPAH programs examined were effective in assisting households to sustain their tenancy and prevent eviction.

- → NPAH tenancy support programs reported tenancy sustainability rates between 80.9 per cent and 92.3 per cent.
- → The proportion of evictions/vacant possessions was low, ranging from 0.3 per cent to 3.4 per cent of tenancies. Rates of transfer to another housing circumstance ranged from 7.5 per cent to 17.4 per cent.
- → NPAH programs aimed at supporting people to access and sustain public and community housing were successful in reducing homelessness. At the commencement of support in such programs, 33.7 per cent of presenting households were homeless, 36.3 per cent in public and community housing, 6.2 per cent were living in institutional settings with the remainder in other housing circumstances (including 'not stated'). At the close of support, only 2.1 per cent were homeless, 0.4 per cent were in institutional settings and the proportion of households living in public or community housing had increased to 87.6 per cent.
- → Cost savings to government from high rates of tenancy sustainment and avoided eviction events and were significant.
- → The cost of support programs during 2011–13 across all program types was estimated at \$23 per day of support, with a mean cost of \$4,260 per support period and a median cost of \$3,492 per support period.
- → The total net cost of social housing, including the opportunity cost of capital employed and subtracting rental receipts, was estimated at \$20,385 per dwelling. The average cost per eviction event estimated across the ACT, Tasmania, Victoria and WA, was \$8,814 per event, representing a significant savings opportunity to government for each eviction avoided. The main direct savings to government arising from sustaining tenancies is reduced cost of homelessness (in health and justice areas in particular), shown in previous studies undertaken by the authors to be, on an annual basis, approximately double the eviction cost cited on average per homeless person.
- → Lack of available public and community housing dwellings limits the ability of tenancy support programs to house homeless clients.

A review of NPAH funded tenancy support programs by Deloitte Access Economics (Deloitte Access Economics 2014) confirmed the cost effectiveness of tenancy support programs. It found that overall, tenancy support programs appear to be effective when compared against average unit costs in preventing homelessness among people at risk of losing their tenancies both in the private and public rental.

#### **Contextual issues**

The causes of tenancy breakdown leading to homelessness can be divided into three categories:

- → tenant vulnerabilities (such as mental health issues or substance addiction)
- → critical life events (such as income loss, relationship breakdown or financial difficulty)
- → situational factors (such as lack of access to services or inappropriate housing allocations).

Strategies to sustain tenancies need to form a continuum of support that considers assessing issues and implementing support at various stages during a tenancy.

Early intervention strategies should occur following a change in circumstance or behaviour, for example, rent arrears, reports of anti-social behaviour, interaction with the justice and health facilities, and family changes such as child protection issues, family break up or the death of a partner.

# 5.2.3 Rapid rehousing and intensive responses for clients with complex needs

Rapid rehousing refers to an approach that emphasised identifying people as soon as they become homeless and responding quickly to stabilise their housing situation. This can include assisting clients to identify appropriate housing in social housing, private rental housing, or other long-term housing. The approach is based on the premise that once people have housing stability, other aspects of their lives can stabilise. It also acknowledges that the longer people remain homeless, the harder it is for them to exit homelessness. Rapid rehousing can assist people who experience barriers such as poor or no rental history, eviction history, or history of substance abuse.

Rapid rehousing can be a temporary, low-support program to assist people whose homelessness has been triggered by an unexpected event, or a component of an intensive response for homeless clients with complex needs.

The use of rapid rehousing as a temporary program has become popular in the USA, where it is frequently used to address one of the most common causes of homelessness—financial crisis that prevents people from paying their rent and domestic conflict that leads to one member leaving the home without resources or a plan for housing.

Rapid rehousing is also used as a key component in permanent supportive housing programs for people with complex or chronic issues; it is a key component of the Housing First model.

# **6** System effectiveness in responding to homelessness

The nature of housing required, the form of support services needed to exit homelessness permanently, and the extent to which support should precede or follow the provision of housing, are key debates in the provision of homelessness services. The effectiveness of each of these approaches will depend on client characteristics and their specific needs.

National data on client outcomes from the AIHW gives some indication of the effectiveness of SHS programs in relation to client outcomes such as housing status, and education, training and employment participation prior to and post support received.

In relation to housing status, the data shows that there is only a small reduction (10% in 2014–15) in the proportion of people who are homeless after receiving support from SHS (Table 11 below).

|         | Proportion of SHS clients homeless |                      |          |  |  |
|---------|------------------------------------|----------------------|----------|--|--|
|         | Prior to support                   | After support closed | % change |  |  |
| 2011–12 | n/a                                | n/a                  |          |  |  |
| 2012–13 | 46%                                | 39%                  | -7%      |  |  |
| 2013–14 | 43%                                | 35%                  | -8%      |  |  |
| 2014–15 | 43%                                | 33%                  | -10%     |  |  |

#### Table 11: Proportion of SHS clients homeless prior to and post support, 2011–2015

Source: AIHW data

SHS have almost no impact on clients' enrolment in education and training prior to and post support (0% change in 2014–15) and a small impact on employment (9% change in 2014–15) (Table 12 below).

|         | Enrolled in education / training |                         | Employed clients with identified<br>employment related need |                         |
|---------|----------------------------------|-------------------------|---|-------------------------|
|         | Prior to<br>support              | After support<br>closed | Prior to support  | After support<br>closed |
| 2011–12 | 20%                              | 23%                     | 12%   | 21%                     |
| 2012–13 | 18%                              | 20%                     | 12%   | 20%                     |
| 2013–14 | 19%                              | 21%                     | 11%   | 19%                     |
| 2014–15 | 21%                              | 21%                     | 12%   | 21%                     |

# Table 12: Client outcomes in relation to education, training and employment prior to and post receiving SHS support, 2011–2015

Source: AIHW data

## 6.1 Crisis and transition responses

Crisis and transition responses aim to safely accommodate clients in crisis or transitional housing while they resolve their homelessness. This includes responses to domestic violence and transitional programs for young people.

The crisis and transition responses incorporate the provision of safe and supported crisis, transitional and other non-permanent accommodation where it is needed. What distinguishes this approach from other responses to homelessness is that the housing is temporary; it is not intended to be a long-term or permanent solution.

Crisis and transition responses are, for example, provided to young people through the Foyer model. Crisis and transition responses are also important to women and children escaping domestic and family violence, although successful alternatives to temporary crisis accommodation exist, such as Staying Home Leaving Violence (SHLV), where women are able to stay in their own homes. These models are discussed below.

## 6.1.1 Domestic and family violence responses

Domestic and family violence responses play an important role in preventing homelessness for women and children escaping violence. These schemes have been found to be effective across a wide range of situations and geographical contexts. They include crisis and transition responses, as well as integrative approaches such as SHLV schemes, which enable women to stay in their own homes.

#### Crisis and temporary responses for women and children experiencing domestic and family violence

Short-term refuges can provide essential, immediate safety for women and children escaping domestic violence and family. However, without secure, affordable ongoing housing options, women may return to dangerous home environments. Tually, Faulkner et al. (2008) highlight the importance of minimising the number of times a woman must move, noting the disruption this has particularly for children at school, and consequently find that transitional housing options are less suitable than permanent housing.

Women of different ages prefer different kinds of emergency accommodation models. Tually, Faulkner et al. (2008: 44) find that communal living arrangements generally work best for, and are preferred by, younger women escaping violence, who appreciate the support networks they can build with other women (and children) around them. Older women have a stronger preference for independent living, preferring individual properties.

Indigenous families affected by family violence prefer local community based safe houses for women and cooling off houses for men (Tually, Faulkner et al. 2008: 47).

The use of motels as temporary emergency accommodation is particularly inappropriate due to the lack of security and lack of support, the inappropriateness for children, and the inadequate cooking and laundry facilities. In addition, they are seen as an expensive and wasteful use of limited brokerage funds (Tually, Faulkner et al. 2008: 47).

A longitudinal (14 month) study by Healy (2011) compared vulnerable families' experiences of, and outcomes associated with, two models of service delivery: crisis intervention and outreach planned family support services. She found that after 14 months most participants in the crisis intervention sample lacked access to affordable and adequate housing and almost a quarter of the original sample were in highly unstable forms of housing, such as motels, couch surfing and boarding with family or friends. They were also more likely to report using alcohol and drug treatment programs, emergency relief, domestic violence and employment services. Conversely, most families in the planned family support sample had access to subsidised forms of housing such as public or community housing. They were

more likely to make use of family support and medical services and were more likely to have their children aged under 6 years enrolled in early childhood services.

As families in the crisis intervention program experience more entrenched housing exclusion than families in the planned family support program, she concludes that the housing first response should be prioritised given the difficulty of engaging families over a long period of time through the crisis model.

# Integrative schemes to assist women and children experiencing domestic and family violence

AHURI commissioned research by Spinney (2012a; 2012b) investigates early intervention strategies to reduce the risk of homelessness for women and children who have experienced family violence. The research examined Sanctuary schemes in England and SHLV schemes in New South Wales. These are successful alternatives to crisis and temporary accommodation. Both schemes involve a degree of collaboration and integration between police, courts and other welfare and housing support services practiced in helping women and children who have experienced domestic and family violence stay in their homes.

Spinney (2012b) found that these schemes are effective in preventing homelessness for women and children experiencing domestic and family violence. The initiatives also decrease the use of refuges and other crisis accommodation—women using traditional crisis services often return after the initial intervention and are more likely to become homeless subsequently.

The most effective homelessness prevention measures for women and children who have experienced domestic and family violence often combine legal/judicial, housing and welfare policy and practices in an integrated manner in order to improve their safety (Spinney 2012a: 12):

- → Legal/judicial responses include improving police responses to breaches of court orders, providing court-based family violence advocacy services, domestic violence courts, law reform.
- → Housing responses include private rental brokerage programs for women who have experienced family violence, 24-hour response services by housing agencies, SHLV type schemes and perpetrator accommodation.
- → Welfare responses include outreach services, 'sanctuary' type schemes, emergency support, personal development and confidence building assistance.

The key findings are as follows (Spinney 2012a: 3):

- → Integrative approaches such as SHLV type schemes have an important role to play in preventing homelessness for women and children who have experienced domestic and family violence and that this is true for women living in very different situations in very different geographical areas of Australia, including those previously thought not to be suitable for such schemes.
- Australia should move to the provision of homelessness prevention schemes (such as SHLV) that are as extensive as the current provision of refuge and crisis accommodation.
- → Schemes should use non-restrictive eligibility practices, should include an element of social marketing and should provide both practical and emotional support for clients.

The study (Spinney 2012a: 8–10) highlighted the importance of a nationally coordinated approach to domestic violence.

- → Development of uniform processes, policies and practices across Australia to address and prevent domestic violence. This includes: uniform legislation, risk assessment methods, training packages for the judiciary and implementation of specialist courts.
- Change in police powers and operation in dealing with perpetrators and those experiencing domestic violence. This includes: charging all perpetrators for each crime, provide immediate protection for women and children, use of monitoring bracelets for high risk offenders and nationally consistent training for police.
- → Increased support services for women and children experiencing domestic violence. This includes: provision of legal aid, telephone support services (legal) and production and public dissemination of information for women.
- → Changes to the policies, funding and delivery of domestic violence interventions. This includes: changes to eligibility criteria for domestic violence intervention programs to minimise restriction on women, increased funding for homelessness intervention, culturally appropriate service delivery and mortgage assistance.

This would reduce the need for women to use crisis accommodation and provide greater security for women and children (physical, legal, financial, housing) as a result of domestic violence.

# Effectiveness of integrative schemes for women and children experiencing domestic violence

Research by Netto, Pawson et al. (2009) found that the Sanctuary or SHLV models were very cost effective. However, the authors expressed a number of cautions about the SHLV and Sanctuary models.

- → Implementations of the models may mean that other existing or future interventions are ignored.
- → Excluding perpetrators from the family home is difficult to enforce.
- → The issues that give rise to the domestic violence may remain unattended to when the housing status of women and children is secured.
- → Makes women responsible for their own safety and protection.

However, Spinney's research (2012a; 2012b) addresses these concerns to some extent. For example, Spinney provides evidence that it is possible to exclude perpetrators from the family home provided that certain legislative elements are in place. Spinney also found that women feel safer and more empowered when they are able to remain safely in their home than if they relocate to crisis accommodation.

## 6.1.2 The Foyer model

The Foyer model provides transitional housing for young people (primarily under the age of 24) integrated with support, emphasising education, employment and training.

The Foyer model was originally designed for young people with low support needs (Steen and MacKenzie 2013). However, evaluations have shown that in reality Foyer models in Australia have a mix of young people with low, medium and high needs and the driver of positive outcomes for young people in Foyer-like programs is the person's willingness to engage with the program rather than their level of support need (Deloitte Access Economics 2014: 66).

### Effectiveness of Foyer models

Foyer models are important interventions as they target a very vulnerable group—young people at risk of becoming homeless and disengaged. However, this needs to be balanced with a high cost of service delivery as the model provides relatively intensive support and generally requires a purpose-built facility with high capital.

While young people's outcomes are inherently limited by existing labour and housing markets, the evidence suggests that Foyer models can help young people compete for existing job and housing opportunities. A disadvantage of the service integration approach in the Foyer model is that a young person loses access to education and training services if they are evicted from the housing component. In one study, the two least integrated hostels had very high user satisfaction and one achieved the highest job placement success.

Evidence from evaluations of UK foyers shows that effective youth focused practice includes integrated, comprehensive support with practical and emotional components. Along with safe housing, the evidence shows that building young people's capacity to live independently through skills, respectful relationship practice and the celebration of achievable practical steps toward economic independence (e.g. the confidence to attend a job interview) was critical. The 'foyer' evaluations also confirm the importance of an adequate duration of service provision, as found in studies of case management support.

There is very little evidence about the existing Australian Foyers. Randolph and Wood (2005) conducted a process evaluation of the first year of the NSW Miller Campus and found indications that the program prevented young people from leaving school. The key attraction of the Campus to young people was the secure accommodation and the opportunity for independent living. The research did not provide further evidence for identifying effective practice elements (Randolph and Wood 2005). In Victoria, there is a 'Foyer'-style model currently called Step Ahead. Melbourne Citymission's Step Ahead Case Practice model notes that selection criteria ensure that young people:

...demonstrate some level of personal stability, (for example, not currently experiencing severe drug or alcohol issues), as well as motivation and willingness to participate in the program (Melbourne Citymission 2009: 7).

The high-functioning eligibility criteria for the Victorian model suggest the targeted applicability of the intervention and this is confirmed in the evidence available from the UK.

Quilgars, Anderson et al. review the contribution of Foyers to the UK support system for young homeless people and report findings of the pilot evaluation in the early and mid-1990s (Quilgars, Anderson et al. 1997).

Research has shown that Foyer residents had improved employment and education outcomes, though there was no control group comparison. The pilot study found that while young people's outcomes are inherently limited by the housing and labour markets, the program increased young people's confidence and helped them compete for existing job and housing opportunities (Quilgars, Anderson et al. 1997: 226).

The pilot Foyer provided services to five hundred young people. One quarter of the young people leaving the Foyers left with both employment and permanent housing, however the pilot showed that most young people travelled on a more complex and non-linear pathway than the model assumed (Quilgars, Anderson et al. 1997: 224). A significant number left due to breaching their tenancy, highlighting a disadvantage of the service integration, namely that an evicted young person also lost access to the education and training services (Quilgars, Anderson et al. 1997: 224).

The initial model proposed a tight integration of accommodation and employment services, with residents required to sign a contract to use the employment and training services. The pilot site did not implement this requirement uniformly and in fact it was found that the two least integrated hostels had very high user satisfaction, with one achieving the highest job placement success (Quilgars, Anderson et al. 1997: 222).

Quilgars, Anderson et al. report that it was important to both workers and young people to measure success by steps along the way to securing a job, for example having the confidence to attend an interview (Quilgars, Anderson et al. 1997: 225). The evaluation also found that most young people used the education, employment and training services without compulsion and the comprehensive nature of the support—not just employment and not just housing—was highly valued (Quilgars, Anderson et al. 1997: 225).

More recent evaluations (Smith 2004; Smith, Browne et al. 2006) evaluate dispersed Foyers, single-site Foyers, and floating support schemes. The studies emphasised how strongly client outcomes are determined by the local housing and employment context and influenced by the practice differences and needs targeting of the individual Foyer.

Smith (2004) asked residents how the Foyer program could be improved. Ex-residents identified the need for more individualised support and more consultation, particularly in order to provide tailored skills development. Comments included:

- $\rightarrow$  Assess what level the residents are on and then help them.
- $\rightarrow$  Talk to people and listen to what they have got to say about what they need.
- → Assess people's skills and then see what they want and need to do.
- → Research what they are looking for and then ask them: Do you want it or not? (Smith 2004: 94).

Money management was considered important and a typical comment was: 'take them out and show them what it is like to be living in a flat of your own and how much the bills cost' (Smith 2004: 94). Other comments identified the need for more respectful staff practices, specifically found lacking in over-night or door staff: '... ensure that the door staff don't speak to the residents like children' (Smith 2004: 94).

The study identifies that rigid requirements for education or employment outcomes and existing staffing ratios constrained the ability to provide individualised support. These program contexts undermined workers' capacity to take time to find out what the young person needs and wants. Study participants complained: 'they were just concerned with sending people to college or to work. They didn't deal with anything else'; and instead recommended: 'concentrate on residents, not just on whether they are training or working' (Smith 2004: 95).

Smith reports that staff and young people valued both improvements in confidence, selfesteem and a sense of direction, and practical outcomes such as getting a job, a training achievement or a new experience such as volunteering (Smith 2004: 123–130).

Smith, Browne et al. (2006) was the UK's first national follow up study of young people who left supported accommodation. The study included 126 young people and found that outcomes for young people are constrained by the housing and employment opportunities in the local area and by the complex issues facing the young person to begin with. Specifically:

- → In the study, 59 per cent of young people reported symptoms indicating high levels of mental distress prior to entering the Foyer (Smith, Browne et al. 2006: 28).
- → On exiting the Foyer, 90 per cent reported that they could not go home.
- → Over half of the sample left and maintained tenancies in social housing (Smith, Browne et al. 2006: 7).

- → One quarter reported that Foyer staff encouragement to go to work or college had made a difference to their lives (Smith, Browne et al. 2006: 59).
- → Two-thirds of the sample were in full or part-time work, training or education at the first follow up interview, declining to just over half by the second follow up interview (Smith, Browne et al. 2006: 61–2).

Smith, Browne et al. found that the average length of Foyer stay was 13 months and minimum effective duration was 8–12 months (Smith, Browne et al. 2006: 10). Some types of young people seem to need longer including those aged 16–17 and those with a disability.

## 6.1.3 Housing and Accommodation Support Initiative

In NSW, the Housing and Accommodation Support Initiative (HASI) between NSW Health, Housing NSW and various non-government organisations provides people with mental health problems with access to stable housing linked to clinical and psychosocial rehabilitation services. It is designed to support people with mental illness to participate in the community, to improve their quality of life, maintain successful tenancies and, most importantly, assist people in their recovery from mental illness.

An evaluation of HASI (Bruce, McDermott et al. 2012) found consumer outcomes were positive for mental health hospital admissions, mental health, stable tenancies, independence in daily living, social participation, community activities and involvement in education and voluntary or paid work. Physical health had not moved towards the levels in the general population. While there is no single measure of quality of life, most consumers believed that HASI has contributed to improving their quality of life compared to before joining the program.

The evaluation also found that the program had effective practices for supporting consumers to exit from lower support packages and this could be shared between the HASI partners across the state to learn about successful transition planning and support.

## 6.2 Housing First approaches

Housing First approaches aim to prevent repeat homelessness and house groups who are traditionally hard to house, such as the chronically homeless and people with complex needs, including mental health and substance misuse issues.

Housing First is a prominent approach in contemporary Australian homelessness policy and practice. It is a central strategy in *The Road Home* (Commonwealth of Australia 2008) and has been advocated for by homelessness practitioners nationally and many new programs identify as Housing First.

Housing First aims to provide rapid access to permanent, supported housing for chronically homeless people (Tsemberis, Gulcur et al. 2004: 651). It is based on the idea that a homeless individual's first and primary need is to obtain stable, permanent housing. It is only once stable housing is obtained that other more enduring issues, such as mental health and substance misuse, can be appropriately addressed. This differentiates Housing First from Treatment First (or continuum) models, where the provision of housing is contingent upon the homeless person's willingness to access treatment services for their other issues (e.g. Foyer).

In practice, a Housing First approach involves moving chronically homeless individuals from the streets or homeless shelters directly into permanent housing. Permanent housing is complemented by the provision of services to assist each individual to sustain their housing and work towards recovery and reintegration into the community. Housing First is thus one form of a broader approach called supportive housing (Johnson, Parkinson et al. 2012: 2).

The critical mechanisms of Housing First are:

- → to secure permanent housing as quickly as possible
- → ensure that client choice is maximised both by involving the person in the choice of housing option and in not requiring abstinence or other treatment compliance for housing access (Greenwood, Schaefer-McDaniel et al. 2005)
- → provide very active, assertive support and tenancy management (including for example, income management to guarantee rental payments particularly where active substance abuse is an issue) (Tsemberis and Asmussen 1999)
- → ensure that post-housing support encompasses social re-integration interventions including targeting education, employment and social connectedness (Yanos, Felton et al. 2007).

### **Effectiveness of Housing First**

The robust evidence-base for permanent supportive housing includes a number of longitudinal outcome evaluation studies for Housing First (Johnson and Chamberlain 2015; Larimer, Malone et al. 2009; Padgett, Gulcur et al. 2006; Pearson, Montgomery et al. 2009; Sadowski, Kee et al. 2009; Stefancic and Tsemberis 2007) as well as a systemic review of research on Housing First in the US (Woodhall-Melnik and Dunn 2016).

The evidence shows that Housing First models are successful at delivering high levels of sustained tenancies for people with complex needs and a history of homelessness. It is also clear from the evidence that while the provision of immediate and permanent housing is essential to the success of the model, the support component is equally important in ensuring that tenancies are sustained.

The evidence is less equivocal on Housing First's success in achieving outcomes such as social inclusion, addressing problematic substance use and mental health issues.

There are few rigorous studies of Housing First's cost effectiveness. A meta-analysis using US data (Woodhall-Melnik and Dunn 2016) found (consistent with other available studies) that the cost savings from Housing First approaches are primarily due to the cost offsets in clients' reduced use of other government services, primarily the justice system and emergency medical services. However, it has been noted that cost savings do not equal the cost of providing supportive housing (Culhane, Metraux et al. 2002; Culhane 2008; Johnson and Chamberlain 2012; Rosenheck, Kasprow et al. 2003).

Permanent supportive housing is also the core of the Common Ground model and its assertive outreach approach to housing rough sleepers, known as Street to Home and Way to Home.

## 6.2.1 Common Ground

Common Ground projects target the most vulnerable chronically homeless people, providing them with a safe, high quality place to live and the support services and security required to keep them housed, healthy and stable. The Common Ground model includes congregated housing with onsite support and social services and aims for a diverse and sustainable social mix of people. Support services are located on-site and focused on helping tenants maintain their tenancies and connect to the local community. Engagement with services is voluntary and not a condition of tenancy.

The first Common Ground supportive housing facility in Australia opened in Adelaide in 2008. The model was introduced to South Australia by renowned housing and community

development leader Rosanne Haggerty, the founder of Common Ground New York. Other Common Ground initiatives have been developed in Melbourne, Sydney, Hobart, Brisbane and regional South Australia.

There is a notable lack of evaluations for this service model, both internationally and in Australia. As a result, it is difficult to make conclusions about its effectiveness and cost.

Parsell, Moutou et al. (2015) surveyed tenants and service providers and found that tenants identified safety as a key factor supporting them to take up services and make positive life changes. The study also found a key challenge for support services, including concierge personnel, is to balance removing barriers to accessing services and providing security, while at the same time ensuring that their presence is not considered intrusive and discourages tenants from taking control of their lives.

A review of available evaluations of NPAH funded Common Ground models in Australia found the Common Ground models in Sydney and Melbourne noted that participants in the program were much more complex in need than the programs anticipated. This led to limitations in the achievement of outcomes and the provision of appropriate services to tenants (Deloitte Access Economics 2014: 66).

### 6.2.2 Street to Home and other assertive outreach

Street to Home programs assists chronically homeless rough sleepers into permanent housing and links them in to a network of support services to help them maintain that housing. Street to Home programs target the most vulnerable rough sleepers who are 'at risk of premature death'. Hence, Street to Home services focus particularly on the health of their clients. The most vulnerable rough sleepers are also those who are the hardest to reach. Street to Home services use an assertive outreach approach to engage with rough sleepers.

Key service elements of strategies to reduce rough sleeping include:

- → engaging people on the streets through streetwork/outreach workers, ensuring a persistent presence, respectful approaches, adopting a 'help first' approach, speedy intake processes and service resourcing
- moving people off the streets via case management-led approaches, client-centred approaches, flexible services that build self-esteem; that 'hold people in place' and that involve practical assistance; active participation by the client in working towards longterm changes
- sustaining housing using flexibility with regard to ending case management arrangements and separation of tenancy management and case management so that there is an independent advocate
- → system architecture with a focus on the separate provision of housing and health services to address chronic health and housing problems; mechanisms that effectively break down barriers to services for people sleeping rough; stable, respectful working relationships across sectors that facilitate access to resources and enable long-term housing and health needs to be met.

### Effectiveness of Street to Home services

Street to Home projects operate in all states and a number of evaluations of these programs is now available, including for Sydney, Melbourne, Brisbane and programs in SA, the NT and WA (Johnson and Chamberlain 2012; 2013; 2015; Parsell, Tomaszewski et al. 2013a; 2013b). Comparisons between the programs have been drawn by Parsell, Johnson et al. (2013) in their comparison of Melbourne, Sydney and Brisbane Street to Home programs and by meta-analysis of existing evaluation on effectiveness of housing and homelessness programs (Deloitte Access Economics 2014).

The effectiveness of Street to Home programs can be summarised as follows:

- → Overall Street to Home programs are delivering reasonably effective housing outcomes at a slightly higher than average cost for similar models and noted the need to address clients' housing and non-housing issues in order for the model to be effective (Deloitte Access Economics 2014).
- → Street to Home programs all aim to enable clients to access and sustain housing. Most programs are able to assist a large proportion (approximately 85%) of their clients to attain housing. While the Sydney and Melbourne programs were less successful at assisting their clients to attain housing (at the baseline assessment, the proportion of clients housed was 65% and 24% respectively), by the time the follow-up assessment was completed 12 months later the programs had been able to house 84 per cent and 77 per cent of their clients, respectively (Johnson and Chamberlain 2013; Parsell, Tomaszewski et al. 2013a). In Melbourne, after 24 months, 70 per cent of clients were housed and 80 per cent of them had been housed for one year or longer (Johnson and Chamberlain 2015). The proportion of clients who were able to sustain their tenancies over the 12 months ranged from 92 per cent (Queensland) through to 65 per cent in Perth (Deloitte Access Economics 2014; Parsell, Tomaszewski et al. 2013a).
- → The studies showed less equivocal non-housing outcomes. The Sydney evaluation showed that the average self-evaluated satisfaction with life rating (out of 5) had increased from a mean score of 2.6 to 3.2 over the 12-month evaluation period (Parsell, Tomaszewski et al. 2013a; 2013b). In Melbourne, improvements were noted in general health; amount of bodily pain experienced; stress, depression and anxiety; the use of homelessness support services, community health services and mental health services; relationships with friends and family; access to support network; and acceptance by society. However, the proportion of clients using alcohol and other drugs did not change markedly over the 24 months of the evaluation (Johnson and Chamberlain 2015).
- A key challenge experienced by all Street to Home programs in Brisbane, Melbourne and Sydney was accessing secure housing for service users (Parsell, Johnson et al. 2013).

### 6.2.3 Way to home

An evaluation (Parsell, Tomaszewski et al. 2013a) of the Sydney Way2Home program, reporting on longitudinal findings in May 2013 reached very similar conclusions to the Brisbane evaluation. The main differences in the two iterations were:

- → a slightly lower rate of housing sustained over a 12-month period in Sydney (90 per cent, compared with 95 per cent in Brisbane)
- ➔ greater stability in reported use of alcohol and most other drugs over the 12-month period in Sydney, with a notable reduction in opiate use.

## 6.2.4 Supported housing for older people

Older people's homelessness in Australia is predominately about experiencing homelessness for the first time in later years (Petersen, Parcell et al. 2014). Historically, with the exception of the small Assistance with Care and Housing for the Aged (ACHA) program, Australia's housing and ageing portfolios have operated separately.

Petersen, Parcell et al. (2014) undertook a national study on homelessness prevention for older people experiencing homelessness or housing crises in later life. The study investigated the key intervention strategies used to resettle older people. The ACHA model was identified as being a cost effective program that provides prevention and early intervention services in the context of a flexible, person centered service delivery model. Key success factors were identified as follows:

- → Linking of community care and support to housing is crucial to homelessness prevention.
- Older people are often unfamiliar and reluctant to engage with the welfare and housing sectors where they have not previously done so. The ACHA program provides examples of dedicated older people's services that engage with and assist older people in housing crisis.
- → The service model of ACHA exemplifies a contemporary homelessness prevention paradigm. The successful linking of housing and ageing paradigms within this program provides a model for wider policy coordination needed to assist vulnerable older people.
- → Person centred and holistic practice ensure individual's circumstances, needs and goals are assessed at initial contact. While housing is a focus, it is coupled with care and support needs. An outcome of an assessment is the linking of people with community supports and resources to assist their wellbeing and thereby ensure their continued independence in the community.
- Housing interventions include investigating if an older person's residency can be maintained. Advocacy and negotiation with the landlord and brokerage may mean that the client can stay in their home.
- Sourcing housing. The focus is on seeking social housing for the client as it offers affordability and often accessibility. In many locales this was not an option and workers use the private rental market including caravan parks and shared houses. Residential aged care is seen as most appropriate for a small number of clients.
- → Integral to the housing intervention is the consideration of the supports that will assist the older person to remain independent in the community. This encompasses formal community aged care as well as a range of other supports including legal advice, mental health support, counselling and pastoral care.
- ➔ In addition, practical assistance is available to clients including accessing furniture and white goods as well as assisting with moving.

There are a range of core elements that facilitate effective intervention with older people in housing crisis. The overriding strength underpinning this service is the integration of housing and homelessness policy with community aged care policy. Housing and support is coupled from the outset. In addition, there is strong service integration across the formal and informal sectors.
# 7 Contemporary policy reform and its implications for homelessness policy and program funding

A number of emerging policy directions and opportunities may have an impact in the future of homelessness service provision. These are sketched below.

#### 7.1 Competition in human services

The Australian Government is seeking to introduce more competition into the provision of human and housing services. The aim is to facilitate greater innovation, choice and efficiency, which, it is hoped, will generate long term benefits for consumers of those services, greater productivity and higher living standards (Harper Review 2015).

Previous reforms have introduced competitive processes to some public services. The recent Competition policy review (Harper Review 2015) proposes to extend this by exposing core government services to competitive pressures and separating all service provision from policy, funding and regulation functions. The review proposes a number of principles to generate good outcomes:

- → users are given choice over the services they consume
- → a diversity of service providers
- → outcomes are measured
- → reforms encourage innovation (not just cost-efficiency).

The Australian Government has accepted many of the Harper Review's recommendations and commissioned a review by the Productivity Commission to lay the groundwork for reform in the sector. In December 2015, the Council of Australian Governments (COAG) agreed to develop a new competition reform agreement drawing on the Harper Review. The Productivity Commission will identify previous or ongoing reforms in different jurisdictions and identify sectors or subsectors for detailed analysis. A number of reforms such as the National Disability Insurance Scheme (NDIS) already presume a competitive framework for service provision.

Competition policy argues that there is scope to empower consumers and make services more responsive. Individualisation might facilitate more innovation in the marketing, location and packaging up of services to meet consumer needs. For example, consumers might have greater choice in the sort of accommodation they can access (including private rental options), or make their own choice of case-worker, doctor or health provider. A choice based framework has the advantage that it will reinforce a strengths based approach to addressing homelessness in which the clients' existing abilities are leveraged to address other issues they face. Since many already make choices about a range of other areas of their life, they might be empowered to choose the homelessness related services they think are best suited to their needs. This may be especially appropriate for consumers with existing capacities to look after their own needs.

However, there are concerns among practitioners and researchers (e.g. Hulse 2016) about whether such a consumer led approach will work for some vulnerable clients and so might need to be adapted. For example, where the consumer has a cognitive disability or where there is a concern that the consumer might make poor choices, consumer advocates might need to be appointed to assist such clients in making choices. There is also a concern that competitive arrangements might not address the most pressing need which is getting access to secure, affordable and long term accommodation, which is in short supply.

Competition might be introduced in a range of areas including provision of community housing. Such reforms were introduced in New Zealand in 2014, when Housing New Zealand, the monopoly social housing provider was broken up to enable multiple smaller community housing providers to contract to manage such housing and consumers were more empowered to choose their own provider (Power 2015).

#### 7.2 Transparency of outcomes and accountability

The funding and provision of housing and homelessness services, policies and programs involves a wide array of stakeholders, including federal, state and territory governments. Consequently, there is a need for coordination of the stakeholders, including having clear outcomes and frameworks to ensure accountability.

In 2010, at the request of COAG, Heads of Treasuries undertook a review of National Agreements, National Partnerships and Implementation Plans (the HoTs Review). Based on the HoTs Review, COAG agreed to a series of reviews of agreements to improve performance information and public accountability. In 2011 the Working Group released its report, which recommended that a number of improvements and changes be made to performance indicators (National Partnership on Homelessness Working Group 2011).

NPAH and NAHA do not draw in wider social partners, even though these partners can be influential in determining affordability outcomes and addressing homelessness. Other mechanisms are needed to involve these partners. For example, the Australian Government has envisaged an increased role for not for profit affordable housing providers and the private sector in financing provision of more affordable housing, with a greater emphasis on social impact bonds that include clear outcomes and 'payments for results' (Porter 2015).

Transparency in outcomes and accountability for outcomes is required if other partners are to be drawn in to investing in homelessness programs. Having clear indicators for success or failure is especially important if the private sector is to invest in programs on a payment by results basis.

# 7.3 The investment approach

New approaches are being developed to better identify and target cohorts to be most likely to benefit from early intervention and prevention programs, as they are the groups who, if successfully assisted, will save the government money in the longer term.

The social investment approach is one way to identifying and investing in cohorts most likely to benefit from government intervention.

The approach was piloted in New Zealand in 2012–13. The 'investment approach' uses an actuarial valuation of the benefit system to calculate the life-time risk that benefit recipients might remain on welfare for long periods of time. This assists in estimating the lifetime cost of welfare, and the value of any investment in assisting certain groups into employment, which in turn reduced their use of the welfare system. The investment approach provided impetus to invest a commensurate amount of money in those people to prevent further unemployment and so save the government money (Chapple 2013; Power 2015).

Introducing such a policy reform could have dramatic implications for homelessness policy and program funding. It might be especially useful in understanding the value to government of investing in programs to avert homelessness and potentially focus efforts on effective mechanisms for prevention and early intervention. It is likely to be most effective for groups like women escaping domestic violence and young people, where investments have the potential to permanently change behaviour, assist in reengagement with employment and reduce lifetime expenditures on welfare.

However, while it may be possible to use actuarial methods to predict the risk that a person might become a high user of services, such methods cannot always predict the likelihood of being homeless. The evidence from Australian studies shows that some homeless people are not accessing many housing, health or welfare services (and so are not presently a burden to the state)—in these instances cost savings to government may not be as great as first imagined. On the contrary, greater use of homelessness services can lead to *higher* government costs (mainly in health and welfare) as people re-engage with the system, even as costs from contact with the justice system decline (Zaretzky and Flatau 2013).

# 7.4 Social impact bonds

Governments are looking for ways to harness private capital to provide services and achieve social returns.

There is increasing impetus internationally and in Australia for services to be less dependent on government funding and to expand the array of funding sources, including into financing from the private sector. Newer forms of funding such as crowdsourcing, social investment and social impact bonds are starting to gain traction in some areas of homelessness service delivery but remain in their infancy.

Social Benefit Bonds (SBBs) involve private capital financing services that provide a social good. The return on the investment comes about through a form of 'payment by outcomes' funding mechanism, whereby government pays the private financier a return for achieving agreed social outcomes. If these outcomes are achieved, the government can expect to benefit by way of cost savings to other areas of expenditure (e.g. social investments that reduce incidence of crime leads to reduced incarceration rates and less money spent on prisons). Creating a revenue flow attached to program success allows the financier to meet the upfront costs of the investment but also achieve a financial return.

SBBs have been implemented in NSW mainly in relation to prevention of people entering state care. The first of these involved a performance based contract between the NSW Government and UnitingCare Burnside to fund the Newpin program, which helps prevent removal of children aged below the age of 6 from parents, thereby reducing longer term costs for the state of provision of care to children. SBBs has been in operation for almost three years. As at 30 June 2015, the program had successfully restored a total of 66 children to their families and delivered an 8.9 per cent per annum financial return to investors (Socal Ventures Australia 2015).

The Benevolent Society, in partnership with the Westpac Banking Corporation and Commonwealth Bank of Australia, launched \$10 million of SBBs, in October 2013. Like the Newpin project, the program provides intensive family support to keep children with their families, where safe to do so, and out of foster care. In the 21 months from 3 October 2013 to 30 June 2015 the performance percentage (on which investor returns are calculated) were 12 per cent and 75 of the 85 families included in the results kept their children safe with them (The Benevolent Society 2015).

Two South Australian homelessness services, Hutt St Centre and Common Ground Adelaide, have recently been selected by the South Australian Government to deliver a program to be funded through Social Impact Bonds (SIBs). The program provides intensive case management and individualised wrap-around services with the aim of permanently ending homelessness for at least 400 South Australians. Social Ventures Australia (SVA) will provide intermediary services, including raising the funds for SIBs. SIBs have the virtue of helping service providers focus on outcomes. Ongoing funding of the program will be dependent upon both a good throughput of clients and successful outcomes in keeping these people out of homelessness.

Long term outcomes of these bond schemes are not known, as they remain in their infancy and comparisons with alternative systems (such as straight government funding) have not yet been undertaken. Concerns might also include that service delivery might become too focused on delivering narrow short term outcomes determined by policy-makers rather than holistically and responsively addressing a range of issues faced by the individual.

#### 7.5 Drivers of homelessness

As set out in section 2.1 of this paper, homelessness is the result of a combination of individual risk factors and structural factors. NPAH is situated within a broader service, policy and reform context. This context influences both the individual risk factors and the structural factors that contribute to homelessness.

Initiatives in key areas include:

- → Mental health and disability. NPAH is aligned with the key objectives of the National Disability Strategy 2010–2020 which seeks to improve the lives of people with disability, promote participation and create a more inclusive society. In order to fulfil the agreed vision for 'an inclusive Australian society that enables people with disability to fulfil their potential as equal citizens', NPAH is committed to driving 'improved performance of mainstream services in delivering outcomes for people with disability' (Australian Government 2015). The 2009 National Mental Health and Disability Employment Strategy, which aims to address the barriers that are faced by people with a disability and/or mental illness that make it harder for them to gain and keep work, is another key strategy in this space. Further effects on homelessness services will be felt as NDIS begins to be fully rolled out over the coming years.
- → Family and domestic violence. People experiencing domestic and family violence, especially women, children and youth, were identified as a key cohort at risk of experiencing homelessness in *The Road Home* (2008) and are a key target group for NPAH. NPAH is aligned with the National Plan to Reduce Violence against Women and their Children 2010–22, which seeks to bring together the efforts of all Australian governments to make a real and sustained reduction in the levels of violence against women. Victoria's the *Royal Commission into Family Violence* (State of Victoria 2016) has been highly influential in further highlighting this issue and in shaping policy and programs in that state.
- → Young people leaving state care. Young people leaving state care are another key focus area for NPAH. In SA, the Child Protection Systems' Royal Commission is investigating the effectiveness of the child protection systems currently in place to protect children at risk of harm, including children in state care (State of South Australia 2014). In Victoria, the *Report of the Protecting Victoria's Vulnerable Children Inquiry* (Cummins, Scott et al. 2012) highlights the plight of children leaving state care, many of whom exit into homelessness. *National Child Protection Framework 2009–2020* is a key policy initiative in this space.
- → Indigenous Australians. Indigenous people have much higher rates of homelessness than does the general population. They are a key target group identified by NPAH. In 2008, COAG agreed to six ambitious targets to address the disadvantage faced by Indigenous Australians in life expectancy, child mortality, education and employment (Closing the Gap). NPARIH supports the Closing the Gap goals and aims to address significant overcrowding, homelessness, poor housing conditions and serious housing shortages in remote Indigenous communities.

#### 7.6 Federated system of government

Australia's federated system of government provides the context within which homelessness policy and funding operates. Discussions are presently underway in areas with inter-relationships with homelessness policy and funding and related areas of government responsibility.

- → Funding of homelessness services. In Australia, homelessness services are funded jointly by federal, state and territory governments. The key national partnership agreements for this funding are NAHA, NPAH and the National Partnership Agreement on Remote Indigenous Housing (NPARIH). In conjunction these agreements provide the funding mechanism to implement the vision articulated in *The Road Home*: turning off the tap; improving and expanding services; and breaking the cycle of homelessness. Any revision of these partnership agreements will influence the way housing and homelessness services are delivered and their ability to support the overarching goals of homelessness policy. The current NPAH will expire in June 2017. NPARIH spans 2008 to 2018, but was re-negotiated as a series of bi-lateral agreements in 2014.
- → Federation review. In 2014, the Australian Government initiated a process to develop a White Paper on Reform of the Federation. Through this process, the Australian Government intended to re-examine the roles and responsibilities of the Commonwealth, States, Territories and Local Governments in the provision of public services where there is an overlap in service delivery, policy and funding. The Federation Issues Paper on the Roles and Responsibilities in Housing and Homelessness (2014) looks specifically at the roles and responsibility of the Australian Government and the states and territories for housing assistance and homelessness services in relation to the key principles of accountability, subsidiarity, national interest, equity, efficiency and effectiveness, and fiscal sustainability. The Australian Government has since stated that this Reform of the Federation White Paper process will no longer proceed, with reform now being progressed by the Council on Federal Financial Relations, along with the Australian Government, State and Territory Treasuries. Following consideration of federation reform at a COAG meeting on 1 April 2016, work to improve federal financial relations and the transparency of government spending will be progressed by the Council on Federal Financial Relations and the Australian Government, state and territory treasuries.
- → Affordable Housing Working Group. Establishment of the Working Group was announced by the Australian Government on 7 January 2016 following a request from Treasurers at the Council on Federal Financial Relations' meeting in October 2015 for further work on housing affordability. The Working Group is focused primarily on investigating ways to boost the supply of affordable rental housing through innovative financing models. These models are aimed at the social housing sector and the private rental market for low-income and disadvantaged households.

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# Appendix 1: Consultation workshop attendees

| Ros Baxter            | Group Manager, Families and Communities, Department of Social Services   |
|-----------------------|--|
| Moo Baulch            | Chief Executive Officer, Domestic Violence NSW   |
| Marion Bennett        | Head of Policy and Advocacy, Mission Australia   |
| Cathy Humphrey        | CEO, Sacred Heart Mission, Vice Chair—Council to Homeless Persons  |
| Alyson Brown          | Director Strategy, NT Department of Housing  |
| Sheri Bruinhout       | Director Homelessness and Justice Services, Melbourne City Mission   |
| Anne Campbell         | Executive Director, Strategic Policy, NSW Department of Family and Community Services                              |
| Susan Clarke-Linfield | Executive Director, Toora Women's Inc  |
| Dr Michael Coffey     | Chief Executive Officer, Y Foundations   |
| David de Carvalho     | Deputy Secretary, Strategic Policy and Reform, NSW Department of Family and Community Services                     |
| David De Silva        | Director, Safeguarding and Community Services, Victorian Department of Health and Human Services                   |
| Christine Fitzgerald  | Executive Director, NT Department of Housing   |
| Dr Phil Flint         | Regional Leader North Queensland, Mission Australia  |
| Deborah Foulcher      | Senior Manager, Social Housing and Homeless Services, ACT Housing and Community Services                           |
| Travis Gilbert        | Executive Officer, ACT Shelter   |
| Steve Glew            | Executive Director, Service Standards and Contracting, WA Department for Child Protection and Family Support       |
| Kathleen Gregory      | CEO, Foundation Housing  |
| Juliet Gross          | Principal Policy Advisor, Strategy and Policy, Housing Services, Queensland Department of Housing and Public Works |
| Daryl Lamb            | Deputy CEO, Anglicare  |
| Jeanette Lewis        | Principal Housing Advisor, Housing Tasmania  |
| Katherine McKernan    | Chief Executive Officer, Homelessness NSW  |
| Anne Moore            | Chief Executive Officer, The Lucy Saw Centre   |
| Dr Cameron Parsell    | University of Queensland   |
| Jacqui Phillips       | Director of Policy, Australian Council of Social Service   |
| Sue Phillips          | General Manager, Community Services Junction Australia   |
| Leanne Roberts        | Manager, Across Systems Response Unit, Victorian Department of Health and Human Services                           |
| Janet Saunders        | CEO, Hobart Women's Shelter  |
| Kirsten Sandstrom     | Senior Manager, HYPA division of SYC Ltd   |
| Carol Shard           | Director, Statewide Services, Housing SA   |

| John Shevlin    | Senior Manager, Policy and Participation, ACT Housing and Community Services  |
|-----------------|---|
| Susie Smith     | Manager, Limestone Coast Domestic Violence Service, Centrecare (LCDVS)  |
| Jessemy Stone   | Director Housing Programs, Housing Tasmania   |
| Leanne Strommen | Executive Manager, Centrecare   |
| Dushy Thangiah  | CEO, Yumba Meta Housing Association   |
| Stewart Thomas  | Branch Manager, Housing and Homelessness, Department of Social Services   |
| Shane Warren    | Acting Manager, Program and Project Management Market Development and Programs, Queensland Department of Housing and Public Works |
| Tammy White     | Executive Officer, NT Shelter   |

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