

## WHAT DID WE LEARN?

# EVALUATION OF FUTURE DIRECTIONS IN SOCIAL HOUSING – FINDINGS SUMMARY

## FUTURE DIRECTIONS REFORM

The NSW Government is transforming the current social housing system to break the cycle of disadvantage experienced by many individuals and families in New South Wales.

In January 2016, the NSW Government launched its new vision for social housing over the next 10 years, *Future Directions for Social Housing in NSW*. Future Directions considers the whole housing continuum—from homelessness through to social or supported housing, and into the private rental market.

*Future Directions* aims to address current challenges within the social housing system, including addressing the availability and quality of social housing stock, to assist social housing clients in gaining financial independence and, for those who are able and willing, to positively transition out of social housing and into the private housing market. It provides focused support to help people avoid long-term social housing tenancies, while also recognising the role stable housing plays in the lives of people who are not able to live elsewhere.

Under *Future Directions*, providing social housing is one part of an innovative and holistic approach to breaking the cycle of disadvantage for social housing clients, and will include health, education, and employment support. It is intended that social housing clients will engage with, and benefit from, more than one program or initiative.

When the evaluation began (2019), the Service Improvement Initiatives (SIIs) were a suite of five initiatives described below. Of the 5 initiatives, only Rent Choice is currently being provided as it was in 2019. Opportunity Pathways was recontracted from 1 July 2022 following a review of program design and operational performance (August 2020). The Youth Development Scholarships program (formerly the Scholarships and Mentoring program) had the mentoring component removed (2018–19). Place Plans and Early Childhood Education Services were not extended beyond their original funding allocations and have also concluded.

## WHAT ARE THE SERVICE IMPROVEMENT INITIATIVES?

**Rent Choice** provides subsidies that support households to gain access to safe and affordable housing in the private rental market. It provides a tapered private rental subsidy for up to three years and facilitates access to support, training and employment opportunities needed to sustain independent housing. Participants in Rent Choice may also be eligible for other Service Improvement Initiatives, including Opportunity Pathways and Youth Development Scholarships.

There are currently five Rent Choice products:

- **Start Safely:** For people who do not have a safe and secure place to live due to domestic and family violence (DFV)
- **Youth:** For young people aged 16–24 years who need to find a place to live (in private rental).
- **Assist:** For low-income households that have experienced a financial shock, such as loss of income or illness.
- **Transition:** For current social housing tenants who wish to obtain housing independence in the private rental market.
- **Veterans:** For former members of the permanent ADF who were on active service during wartime and/or operational areas, including peacekeeping.

**Opportunity Pathways** assists social housing applicants, tenants and their household members, and Rent Choice subsidy recipients, who aspire to and have capacity to, with the appropriate support, find or increase their employment. It seeks to assist these people in overcoming barriers to education and employment; to increase their economic participation through gaining, or increasing, and retaining employment, and to facilitate positive exits from social housing and/or housing independence goals. From 1 July 2022, a redesigned version of the program is being delivered in partnership with the NSW Treasury, Office of the Social Impact Investment (OSII) using a social impact investment model.

**Youth Development Scholarships** (formerly Scholarships and Mentoring, 2017–2023) is offered to eligible young people across NSW, providing a scholarship of \$1,000 to be used for educational and support related expenses. The purpose of the scholarships is to support vulnerable young people to stay at school by enabling them to purchase relevant equipment or to pay to attend excursions, so that they can remain engaged with their education. The mentoring component that was trialed in one location was discontinued in 2018–19.

**Place Plans** was an evidence-based, place-based approach designed to work in partnership with communities to develop and implement place-building activities and initiatives in social housing communities experiencing significant levels of disadvantage. Place Plans aimed to build opportunities, strengthen communities and improve client outcomes and liveability, contributing to breaking disadvantage in social housing areas. Place Plans were delivered by 16 project teams delivering Place Plans across 20 disadvantaged housing areas in NSW between 2015 and 2018 and have now been concluded.

**Early Childhood Education Services** aimed to engage children living in social housing in affordable, accessible, and high-quality early childhood education and care, and to improve children’s school readiness, especially in the year before primary school. A core component of the program was extensive community engagement with the targeted populations and communities. A key part of the response was offering tailored training and support to local support services, with the longer-term aim of strengthening local skills and capacity.

## THE EVALUATION

In 2019, the Department of Communities and Justice contracted ARTD, in partnership with Taylor Fry and Social Ventures Australia (SVA), to evaluate the five Service Improvement Initiatives listed above. The evaluation aimed to answer three key evaluation questions:

1. Which Service Improvement Initiatives work well, in which domains, for whom, and under what circumstances?
2. What are the implications for the modification, targeting or redesign of each initiative to improve implementation and maximise outcomes?
3. What are the implications for Future Directions in housing and homelessness policy and programs to improve outcomes and increase housing independence?

**Quantitative data** for this evaluation was drawn from a comprehensive linked administrative dataset, which included variables from NSW and Commonwealth Government administrative datasets, the DCJ Housing Outcomes and Satisfaction Survey (HOSS) for 2019, 2020 and 2021.

**Qualitative data** was drawn from 75 interviews with stakeholders and 19 case studies of Rent Choice and Opportunity Pathway participants who were interviewed up to five times over two years.

We also consulted with 76 Aboriginal people across five locations (Redfern, Campbelltown, Bateman's Bay, Kempsey and Dubbo), which were identified by the Aboriginal Reference Group.

## KEY FINDINGS

### REACH AND UPTAKE

The initiatives reached a relatively small part of the population eligible for social housing assistance, because:

- Rent Choice and Opportunity Pathways were voluntary to participate in and were targeted only to those people who are assessed as most suitable
- Scholarships was limited by operating budget
- Place Plans and Early Childhood Education Services were delivered in specific locations only.

The number of participants in each initiative is as follows:

- **Rent Choice:** Between 1 July 2016 to 30 June 2021, there were 15,230 approvals for a Rent Choice subsidy. This represents around 33 approvals per 1,000 applications, which rose slightly in the 2020–21 financial year.
- **Opportunity Pathways:** Between 1 March 2019 and 30 June 2021, program data suggests a total of 5,264 people were referred to Opportunity Pathways. Of these, 3,471 people were determined as suitable and went on to enrol. The enrolment rate (60%)<sup>1</sup> remained stable over time.
- **Youth Development Scholarships:** Across the 2017 and 2021 scholarship rounds, there were 4,614 eligible applications, leading to the award of 2,264 scholarships.

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<sup>1</sup> Note: The reliability of the enrolment data varies by District and should be interpreted cautiously. For example, in one District, the enrolment rate exceeds 100%.

Place Plans operated in 20 of the most disadvantaged public housing estates in NSW, with five case study sites. Early Childhood Education Services was delivered in two locations (Moree and Mt Druitt). There are no detailed records of the numbers of people who accessed these services who were in need of housing assistance.

## WHAT OUTCOMES ARE BEING ACHIEVED BY CLIENTS?

### **Rent Choice Start Safely**

In contrast to a comparison group, recipients experienced:

- large reductions in urgent requests for housing assistance
- moderate reductions in rates of living in social housing
- small reductions in presentations to Specialist Homelessness Services (SHS).
- very small reductions in court appearances
- very small reductions in days as an admitted patient
- small increases in Commonwealth income support
- large increases in Commonwealth Rent Assistance (CRA) payments.

### **Rent Choice Youth**

In contrast to a comparison group, Rent Choice Youth recipients experienced:

- large reductions in urgent requests for housing assistance
- moderate reductions in homeless presentations to SHSs
- moderate reductions in rates of living in social housing
- large increase in CRA payments

Overall, most (90%) recipients across both Rent Choice Start Safely and Rent Choice Youth whose subsidy ended were able to maintain a private rental tenancy in the 12 months following assistance.

### **Opportunity Pathways**

Opportunity Pathways participants had fewer presentations to Specialist Homelessness Services, reduced reliance on income support, and fewer court finalisations for a proven offence. Overall, Opportunity Pathways can work for clients that are motivated to work, and for whom other obstacles to finding employment are able to be overcome.

The evaluation did not show a significant change in personal wellbeing for people receiving Rent Choice and/or Opportunity Pathways compared to those who were not.

### **Youth Development Scholarships**

Many stakeholders interviewed saw the Youth Development Scholarships as important to a young person's ongoing engagement with education. They shared stories about how the scholarships made a meaningful difference for young people whose families were experiencing financial hardship, particularly during the transition to at-home schooling during COVID-19 lockdown periods.

However, the number of students with scholarships who said they would have disengaged from school without the scholarship was low (16%, 32 students out of 197 valid responses). With the data available, the evaluation wasn't able to show that Scholarship recipients were more engaged in school or achieve better education related outcomes as a result of the initiative.

## WHAT WERE CLIENTS' EXPERIENCES OF SERVICE IMPROVEMENT INITIATIVES AND PATHWAYS?

Participants in Rent Choice and Opportunity Pathways were generally very positive about their experience and tended to be more positive about their experience than other social housing tenants. The evaluation showed that when the initiatives are provided as intended the recipients are very satisfied and grateful for the supports. The only concerns expressed were with the amount of support on offer. The case study data indicates clients often have deeper needs that go beyond housing assistance, such as for mental health supports to address traumatic experiences.

It was clear that a safe, secure and affordable home was important to all participants, and many understood the link between increasing their education, training and employment as a pathway towards housing stability. However what people tended to remember about Rent Choice and Opportunity Pathways was if their income increased too much, they would 'lose' what they had built, and be faced with great uncertainty again.

Scholarship recipients' experience of the program was not explored in this evaluation because of the ethical complexities of involving students through schools.

### WHAT OPPORTUNITY PATHWAYS AND RENT CHOICE CASE STUDY PARTICIPANTS SAID

We randomly selected and interviewed 19 Rent Choice and Opportunity Pathways participants over 19 months (between September 2020 and April 2022). Most of these case study participants were women (84%), a third (32%) identified as Aboriginal, and more than half (63%) were 25 years old or younger. Almost half (47%) had post-secondary qualifications.

Key themes from our conversations with case study participants are below.

#### **An Experience of Trauma**

Many of the participants had experienced domestic and family violence, and many had ongoing safety risks and concerns. Some were engaged with the Federal Family Circuit Court of Australia or the child protection system regarding custody arrangements. More than half of the interviewees were raised in single parent households or experienced their parents' separation at some stage during their upbringing. Some reported being kicked out of home due to fights with stepparents or other abuse, and others had moved out as early as 14 or 15 years of age. All 6 Aboriginal participants reported experiencing a traumatic event, including the removal from or death of a parent. All Aboriginal participants reported an experience of domestic and family violence, either as a child or as an adult. Other experiences of trauma included one person being taken into the child protection system as a child. Two others had traumatic experiences leaving the Middle East to move to Australia – one was in Afghanistan when the Taliban came into power.

#### **Participants had experiences of physical or mental ill health**

More than one-third (37%, 7 people) of participants reported ongoing mental ill health, which they said stemmed from their experiences of domestic and family violence (25%, 5 people) or other traumas associated with being an immigrant in Australia (10%, 2 people).

Some participants (15%, 3 people) reported physical health issues that were related to their mental health. Another two participants (10%, 2 people) reported physical health issues directly related to their housing situations, such as from mould or methamphetamine-contamination. Other physical health issues included difficulties in pregnancy for two participants, chronic pain from arthritis, as well as auto-immune issues.

*"I had a place for about three and half years, but it wasn't good. There were lots of drug users around and the house was making me sicker. It was not a suitable house at all for someone with my health issues." – Case Study participant 'Marina'*

### **Participants mostly found case managers' support valuable**

Over half of participants had at least one worker in a formal service provision role whose support they valued and some described having a number of support workers who collaborated to assist them.

More than half of the case study participants were connected to other supports. These were both formal, for example a counsellor or psychologist, and informal, for example a parent or friend. For some people who received Rent Choice or Opportunity Pathways, being referred by the program to additional supports and services was the most valuable aspect of their participation.

Interviewees also shared examples of less effective support. Two participants relayed an experience of disengagement or disillusionment with a program when their case manager changed.

### **Informal networks also provided valuable support**

Informal supports – from family and friends and neighbours – were critical to most participants' wellbeing. Some participants saw improvements in their mental health as a result of improved family and workplace relationships, seeing a psychologist, new personal relationships, and supporting their children. Three of the six Aboriginal participants spoke about the range of practical and emotional supports they received from their extended family networks.

### **People had hope for the future, but were resigned to disadvantage**

Broadly, all the people we spoke to held hope for a stronger future and spoke about their plans to improve their life circumstances through a commitment to further education, training and employment. However, they also had to navigate a range of interruptions to their lives from unwanted intrusions (such as violent ex partners) or recurring obstacles (such as difficulty securing a property).

*Things at the moment aren't great. Mum's house got flooded, so she and my little sisters are staying with my older but I can't really stay there. I am just staying at a hostel and trying to find work so I can get a share house or something with friends. I've got court coming up in a few weeks because I got done for drink driving and my licence is suspended. Ever since then I haven't really been able to stop drinking. I've been very depressed and angry because I feel like I lost my freedom... I would like to go to Uni and maybe study Law. I think I'd be good at it. But right at the moment, I feel like I'm not really moving forward in life, and everything has come down and hit me really hard. – Case Study participant 'Tara'*

Participants with very young children found it particularly hard to combine their childcare responsibilities with job seeking, finding housing and accessing study.

*The Rent Choice meant my rent was \$220 a week instead of \$330. It made a big difference to me while it lasted. I was working some shifts in an aged care home, but I could only work while the boys were at school. The school they're at doesn't have an afterschool care. The school closer to us does have afterschool care, but it's a big school, and rough, and my boys have had too much trauma already... I'm doing disability support work now for a few private clients and the money is okay and the work is flexible. But I am disappointed that it just isn't viable for me to pursue further education – Case Study participant 'Rachel'*

### **Many planned to own homes, but held concerns about the private rental market**

Almost half of the case study participants had a desire to own their own home in future, though many were resigned to this being unlikely for them. An equal number were keen to have their own private rental tenancy. Despite this, many expressed worry about entering the private rental market, and uncertainty about whether a private rental tenancy would offer them long term housing stability.

It was clear that some of the people we spoke to felt disempowered in the private market. Some were concerned about the appropriateness and quality of their housing, with common issues including housing being too small or having no play area for children, feeling unsafe due to behaviours (including criminal behaviours) from neighbours, and health concerns from unaddressed issues in the home. There was a common reluctance to complain to the agent because of fear of being kicked out or not having their lease renewed.

### **COVID-19**

The time span of this project coincided with some unusual social circumstances including “lock-down” periods associated with the COVID-19 pandemic. This had affected interviewees in a range of ways, including:

- Lost job or shifts
- Unemployment due to unvaccinated status
- Safety concerns due to changes in ex-partner contact with children
- Disruption in being assessed for program eligibility and increased difficulty of communicating with case worker

Some interviewees however noted a minimal impact of the pandemic. Stay at home mums noted that their life was much the same during lock-down as it was normally, whereas others noted that their children were experiencing anxiety or sadness about missing school.

### **ABORIGINAL COMMUNITY PERSPECTIVES ON SIIS**

Engagement with Aboriginal communities was conducted in five locations across NSW. Feedback is summarised below.

**Strengthen and establish formal partnerships and shared decision-making.** Conversations with Aboriginal people, organisations and communities indicated that consultation between the Department and the five Aboriginal communities about housing and homelessness policies and

responses has been limited in recent years. The Aboriginal Reference Group identified a range of internal DCJ resources and existing forums which are well placed to support shared decision-making.

**Transform government organisations so they work better for Aboriginal and Torres Strait Islander people.** The evaluation and the literature agree on the importance of Aboriginal people being supported by people who share or are deeply aware of the lived experiences of Aboriginal people. In our discussions, we heard about the positive outcomes for Aboriginal SII participants from having an Aboriginal worker advocating for and working with them. We also heard about experiences of bias against Aboriginal people from workers and the rental sector.

**Build the Aboriginal and Torres Strait Islander community-controlled sector.** The Department works in partnership with a range of non-government organisations to deliver housing and homelessness supports and services. Throughout the evaluation Aboriginal people, organisations and communities suggested that building the capacity of the Aboriginal community-controlled sector would strengthen the outcomes for Aboriginal people participating in SIIs.

## IMPLICATIONS FOR POLICY AND PRACTICE

Overall, the SIIs, and specifically Rent Choice and Opportunity Pathways, can and do assist people. However, despite broad satisfaction with them, there are limits to the problems they can resolve that can create a need for housing assistance.

Broadly, case study participants all held hope for a stronger future and had plans to improve their life circumstances through a commitment to further education, training and employment. However, simply holding this desire appears not to be enough to overcome obstacles to improvement, without having a greater level of formal and informal support than was available.

The evaluation evidence suggests that the best results are gained through tailoring supports to an individual's specific needs and remaining attentive to how those support needs change over time.

Recommendations to make enhancements across the SIIs have been provided to DCJ. They which are broadly summarised below:

1. Continue to invest in trauma informed training and other professional learning opportunities to ensure all staff understand the causes and consequences of trauma particularly how it shapes behaviour.
2. Review current policies to embed trauma-informed principles and ensure a balance between therapeutic and punitive responses. For example, antisocial policies in public housing could reflect increasing support options as an alternative to or alongside increasing consequences.
3. Review caseworker resourcing and oversight, and participant communication strategies to:
  - enable all participants to have a positive one-on-one relationship and regular contact with a supportive caseworker
  - empower participants with clear, appropriate and re-iterated communications about how the SII they are receiving works (e.g., Rent Choice tapering, Opportunity Pathways available supports) and what to expect.



4. Consider ways of ensuring specialist trauma practitioners are available to support clients and frontline workers, which may include partnerships with the non-government and Aboriginal community-controlled sectors.
5. Consider inter-agency collaborations and partnerships with external providers of specialist services, and development of referral pathways
6. Continue to strengthen the organisational commitment to recruiting and retaining an Aboriginal workforce at all levels of the organisation, but particularly frontline workers. Support increased Aboriginal employment by:
  - sharing examples of good recruitment and development practices
  - sponsoring Aboriginal mentoring and professional development initiatives
  - sponsoring traineeships
  - mandating Aboriginal employment practices.
7. Explore ways to partner with specialist organisations and the Aboriginal community-controlled sector to ensure Aboriginal people, but particularly Aboriginal women who have experienced violence, and members of the Stolen Generations, are not traumatised by the experience of seeking housing assistance.
8. Explore opportunities to partner with and connect SII participants who are escaping DFV to organisations providing legal advice and advocacy, counselling and other therapies, and financial counselling.
9. Co-design responses to ensure people in need of housing assistance can develop long term positive support relationships and informal social networks. This may range from peer support networks through to formal psychological therapy for people with experiences of trauma.