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Future Directions Evaluation

Final Reports for the Strategy and Program Evaluations

Future Directions Strategy Evaluation

3 May 2024

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Future Directions Evaluation: Programs and Strategy

Final Report for the Future Directions Strategy Evaluation

3 May 2024

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Acknowledgments:

The Melbourne Institute Consortium team acknowledges the support from Matthew Fusarelli, Danika Koop, Ella Creet and Kevin Mc Cluskey at DCJ, and the inputs from the LAHC FDI Projects team, the SAHF team and the SHMT program team, as well as the earlier contributions of Jordy Meekes, Julie Moschion, Jessica Hateley-Browne and, in particular, Belinda Parker who was project manager from the start of the project in 2019 to June 2021. We have also benefitted from the comments by Jeff Borland and Gavin Wood on earlier versions, and from the discussions with Aron Shlonsky.

Suggested citation:

Melbourne Institute Consortium. 2023. *Final Report for the Future Directions Strategy Evaluation*. Melbourne: The University of Melbourne.

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List of acronyms used in this report

ACRONYM	DEFINITION
ADEPT	Analysis of Determinants of Policy Impact
AH&MRC	Aboriginal Health & Medical Research Council
AMS	Asset Maintenance Services (Contract)
APDC	NSW Admitted Patient Data Collection
BOCSAR	NSW Bureau of Crime Statistics and Research
CALD	Culturally and Linguistically Diverse
CBR	Cost-Benefit Ratio
CEI	Centre for Evidence and Implementation
CFIR	Consolidated Framework for Implementation Research
CH	Community Housing
CHIA	Community Housing Industry Association
CHIMES	Community Housing Information Management System (a DCJ dataset)
CHPs	Community Housing Providers
CIRCA	Cultural and Indigenous Research Centre Australia
CRA	Commonwealth Rent Assistance
DCJ	NSW Department of Communities and Justice
DID	Difference-in-differences
DIT	District Implementation Teams
DOMINO	Data Over Multiple Individual Occurrences (from the Department of Social Services)
ECES	Early Childhood Education Services
EDDC	NSW Emergency Department Data Collection
EMR	Electronic Medical Record
FACS	NSW Department of Family and Community Services (now the NSW Department of Communities and Justice)
FACSIAR	FACS Insights, Analysis and Research
FD	Future Directions
Future Directions	Future Directions for Social Housing in NSW
HOMES	Housing Operations Management and Extended Services (a DCJ dataset)
HOSS	Housing Outcomes and Satisfaction Survey
IS	Income Support
IT	Information Technology
KPI	Key Performance Indicator
LAHC	NSW Land and Housing Corporation (now within the NSW Department of Planning and Environment)
LAHC FDI	LAHC Future Directions Implementation
LGA	Local Government Area
MBS	Medicare Benefits Schedule
MI	Melbourne Institute
MIT	Management Transfers Teams
NAPLAN	National Assessment Program – Literacy and Numeracy
NCOSS	NSW Council of Social Services

ACRONYM	DEFINITION
NPV	Net Present Value
NSW	New South Wales
OECD	Organization for Economic Cooperation and Development
PBS	Pharmaceutical Benefits Scheme
PH	Public Housing
PHCR	Patient Health Care Record
PPN	Person Identification Number
PRN	Property Reference Number
RMIT	Royal Melbourne Institute of Technology
ROSH	Risk of Significant Harm
SAHF	Social and Affordable Housing Fund
SEIFA	Socio-Economic Indexes for Areas (developed by the Australian Bureau of Statistics)
ServiceCos	Registered community housing providers who have a SAHF services contract
SHMT	Social Housing Management Transfer
SII	Service Improvement Initiative
SLK	Statistical Linkage Key

0. Executive Summary

This report presents findings from a short- to medium-term evaluation of the *Future Directions for Social Housing in NSW* (Future Directions) Strategy analysing tenant outcomes up to 30 June 2021. This allows the analysis of outcomes occurring up to three years after being allocated to Future Directions dwellings or participating in a Future Directions Initiative. The purpose of the Future Directions evaluation is to answer two main questions:

1. Has the Future Directions Strategy achieved its objectives?
2. Which Future Directions programs and initiatives work well, for whom, and under which circumstances (including location-specific differences within a program or initiative)?

The Strategy Evaluation provides an overarching evaluation of Future Directions and synthesises findings from separate evaluations of the three Future Directions programs and the five Service Improvement Initiatives (SIIs).

0.1. The Strategy

Future Directions is a NSW government policy which aims to transform the state's social housing system. It is a ten-year strategy starting from 2016.

Future Directions is underpinned by three strategic priorities:

- more social housing;
- more opportunities, support and incentives to avoid and/or leave social housing; and
- a better social housing experience.

Each of the Future Directions programs and initiatives have their own subpriorities that feed into the above broader priorities.

0.1.1. The programs and initiatives

As part of the Future Directions Strategy, three new programs have been introduced: Land and Housing Corporation Future Directions Implementation (LAHC FDI) Projects, the Social and Affordable Housing Fund (SAHF), and Social Housing Management Transfers (SHMT).

LAHC FDI Projects partner with the private and not-for-profit sectors to redevelop existing social housing sites (renewal) or develop new mixed communities blending social housing with private and/or affordable housing, providing better access to transport and employment, and improved community facilities and open spaces.

There are four types of projects:

- New Supply projects - redevelopment to deliver small-scale renewal of dated social housing dwellings;
- Neighbourhood projects - small- to medium-sized projects delivering more social housing mixed with affordable and "standard" private housing;
- New Communities – reconfiguration of existing social housing estates into mixed-ownership communities; and
- Major Projects or Communities Plus – large scale projects on government -owned land.

The social housing dwellings are owned by the NSW government and managed by the Department of Communities and Justice (DCJ) or by Community Housing Providers (CHPs). So far, none of the larger Major Projects that include all features of the LAHC FDI Program have been completed. Most of the ~2,500 dwellings delivered between 2016 and June 2021 in scope for the evaluation have been part of smaller New Supply projects.

SAHF increases the supply of housing through outcomes-focused services contracts with registered community housing providers (ServiceCos) who acquire property to provide the services. ServiceCos are contracted to supply good-quality new social housing supply in the form of new or redeveloped dwellings, property and tenancy management, and tailored support coordination. The contracts are for 25 years, and the NSW government does not own the asset at any point during or after the contract.

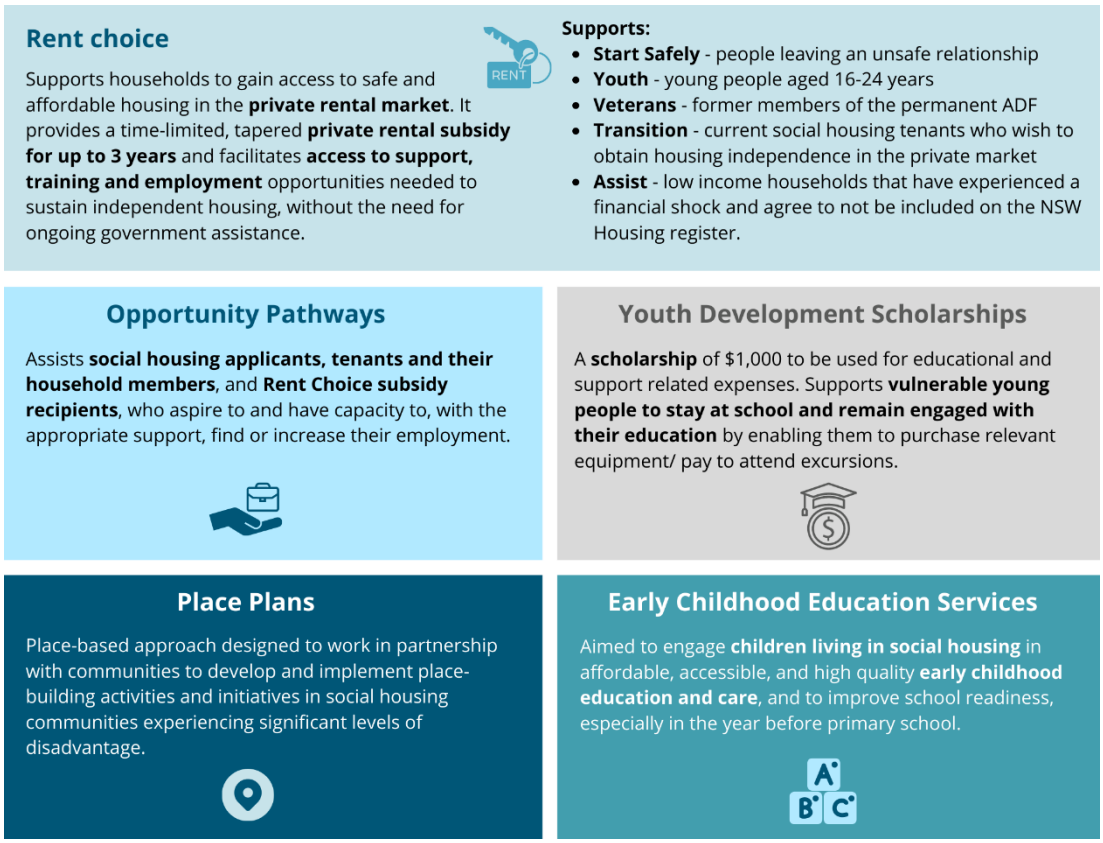
Between 2017 and May 2023, 3,272 of the 3,486 additional social and affordable dwellings were delivered, with the 1,566 social housing dwellings delivered by June 2021 in scope for the evaluation.

SHMT involves the transfer of the management of nearly 14,000 existing (mostly older) public housing properties from DCJ to CHPs in nine specific areas across four DCJ districts – Shoalhaven, Mid North Coast, Northern Sydney (excluding Ivanhoe Estate) and Hunter-New England (except Newcastle). The transfers occurred between October 2018 and September 2019. DCJ retains ownership but provides 20-year leases to CHPs who take up management of the tenancies and responsibility for all social housing services formerly provided by DCJ in the nine SHMT locations. SHMT tenants are eligible for Commonwealth Rent Assistance which is passed on to CHPs on top of the rent charged, providing an additional financial resource for CHPs.

LAHC FDI and SAHF aim to address all three Future Directions priorities, while SHMT aims to address the second and third priority.

In addition, as part of the Future Directions Strategy, five SIIs were introduced which have a focus on assisting social housing tenants: Opportunity Pathways (and its predecessor Career Pathways), Place Plans, Rent Choice (private market assistance), Youth Development Scholarships (previously called the Scholarships and Mentoring Program) and Early Childhood Education Services.

Figure 0.1 Overview of the five SIIs



Source: ARTD Consortium, 2023 (p. x).

All five initiatives aim to provide more opportunities, support or incentives to avoid and/or leave social housing. Four initiatives (excepting Rent Choice) also aim to improve the social housing experience. Two SIIs were not extended beyond the initial funding period of 2015 to 2019 and 2020 to 2021 for Place Plans and Early Childhood Education Services, respectively.

The Future Directions Strategy was a collection of discrete programs and initiatives to address the challenges of providing social housing (as discussed in Section 1.1.1). In comparing programs we acknowledge that the three programs are implemented in different contexts and differ in various respects.

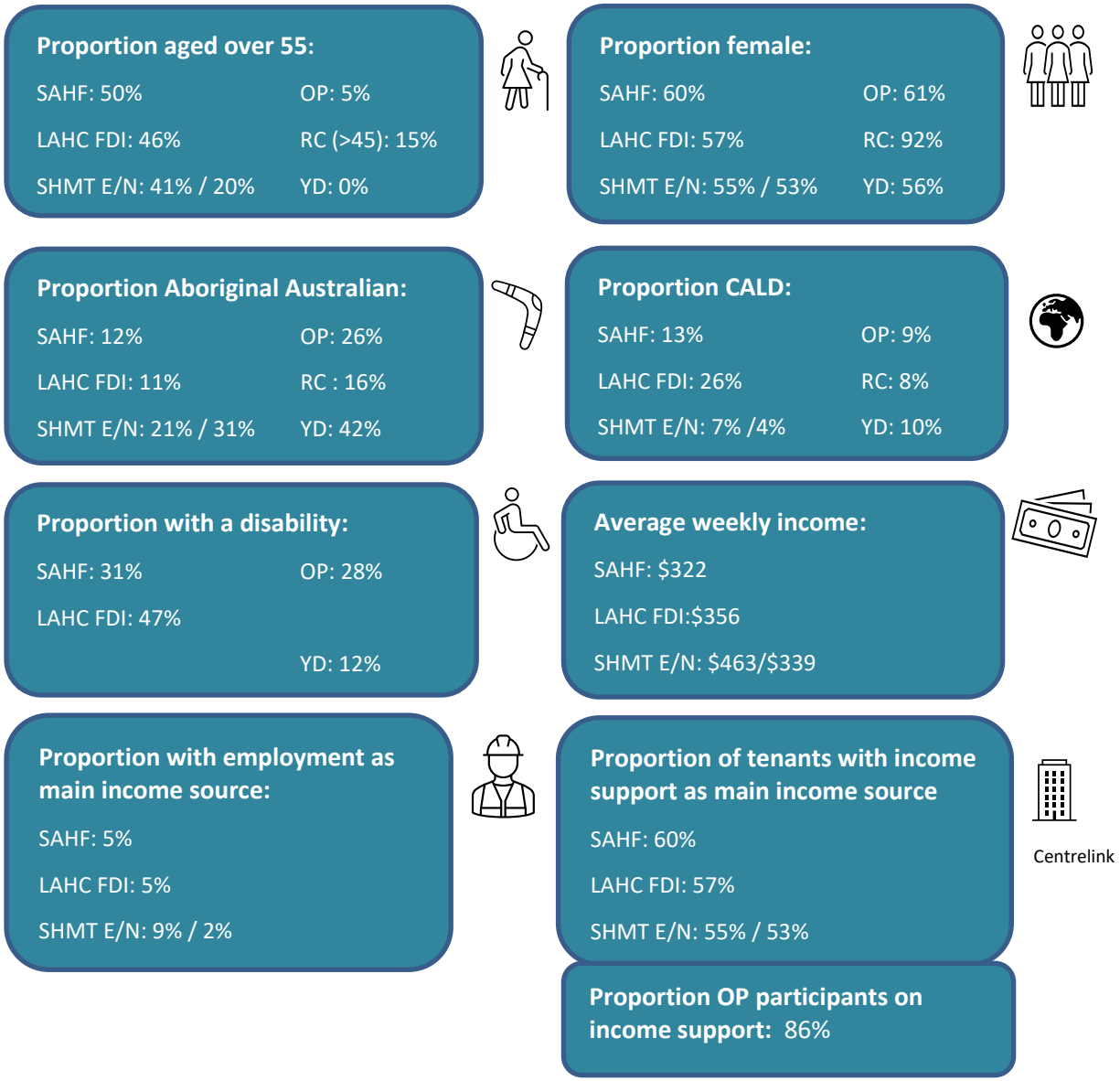
0.1.2. Program tenant and SII participant evaluation populations

Most programs and initiatives had been underway for two to three years by the time of the data extract for this report (end of June 2021). By that time, all 14,000 SHMT

dwellings had been transferred from DCJ to the respective CHPs, and 1,566 SAHF and 2,513 LAHC FDI social housing dwellings were service ready. SIIs had also engaged many participants, with 3,471 Opportunity Pathways participants, 2,264 Scholarship recipients, 210 children supported by the ECES initiative and 9,822 people receiving a Rent Choice subsidy.[1]

Figure 0.2 provides a brief overview of characteristics of all tenants from properties in the three Future Directions programs, and to the extent possible, the SII participants who are part of the evaluation. However, limited information is available on SII participants, with no individual information available for ECES or for Place Plans.

Figure 0.2 Characteristics of Program tenants and Initiative participants



Notes: SHMT E/N denotes existing/new SHMT tenants. OP denotes Opportunity Pathways, RC denotes Rent Choice, and YD denotes Youth Development.

[1] Due to varying linkage rates across datasets the total number of participants may be different from the number of observations in the linked data analyses presented in individual evaluation reports.

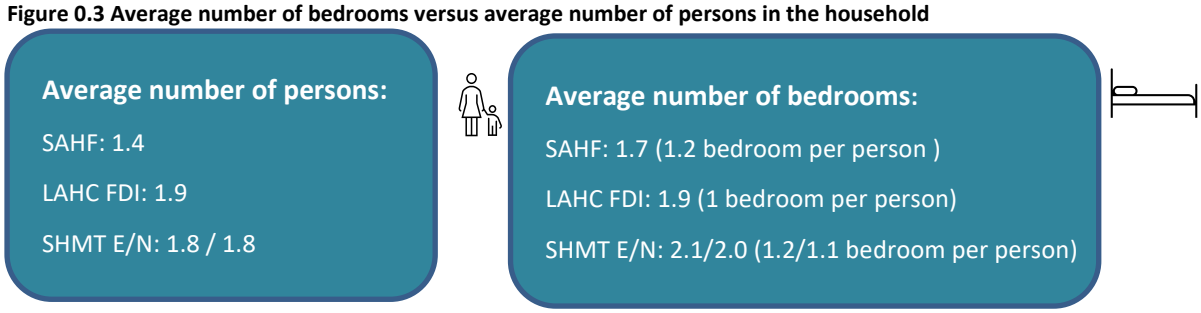
The impact of targeting some of the LAHC FDI and SAHF dwellings specifically to the age group 55 years and over is clear, with 46% and 50% of LAHC FDI and SAHF tenants, respectively, in this age group. Around 20% of new SHMT tenants are 55 years or older. Similarly, there is some evidence of targeting SAHF and LAHC FDI housing to women where 60% and 57% of tenants are women, respectively. Among new SHMT tenants, 53% are women.

Women also make up the majority of Rent Choice recipients (92%), mostly due to the Start Safely component (98% women) which is aimed at supporting people escaping family and domestic violence and accounts for 79% of Rent Choice subsidies. Due to Rent Choice Start Safely and Youth comprising the majority of participants, and both targeting a younger participant group, few participants are over 45 years of age (15%). Aboriginal students made up a relatively large proportion of participants in the Youth Development Scholarships (42%) consistent with this being a priority cohort.

Consistent with the aim of the program and eligibility rules aimed at targeting disadvantaged populations, income support receipt is high among Opportunity Pathways participants (86%).

Figure 0.3 shows that in line with the targeting to single women and people over 55 with many single persons among them, the average number of bedrooms is smaller for LAHC FDI and SAHF dwellings than for the existing SHMT dwellings which were built for the larger households living in social housing in the past. However, compared to the average number of persons in the household SAHF appears relatively generous compared to LAHC FDI (and even SHMT).

Figure 0.3 Average number of bedrooms versus average number of persons in the household



Consistent with the aim of LAHC FDI to provide refurbished or new social housing in well-located dwellings with good access to amenities, Figure 0.4 shows that LAHC FDI[2] dwellings are located relatively closely to a range of services and amenities. SHMT dwellings are located a little further away from these services and amenities (except for distance to the closest high school, which is similar for SHMT and LAHC FDI tenants, at around 2km distance). New SHMT tenants who are assigned to SHMT dwellings vacated after the management transfer are on average furthest from services and amenities (this suggests that less well-located dwellings may be vacated at a greater rate than better-located dwellings).

[2] LAHC FDI public housing dwellings only as this information is not available for LAHC FDI dwellings managed by CHPs.

Figure 0.4 Average distance in km to selected services and amenities for LAHC FDI and SHMT

Average distance in km to:

	School	Hospital	Train/light rail	Commercial zone	
For:				B2	B3
LAHC FDI	0.9	4.2	5.0	2.1	5.2
SHMT E/N	1.2/1.2	11.6/16.0	7.8/8.0	4.6/5.5	6.8/8.2

Notes: A B2 commercial zone is a Local Centre (with shops, offices, medical services, education facilities etc. for the local community). Typically applies to a Local Government Area. A B3 commercial zone is a Commercial Core (with high density retail and commercial stores, large scale offices, businesses and entertainment). Typically applies to Major cities, large town centres or regional centres.

0.2. This evaluation

The Melbourne Institute Consortium has been commissioned by the Department of Communities and Justice to undertake a three-year evaluation of Future Directions.

The aims of the evaluation are to:

- synthesise the short- to medium-term evaluation results produced so far to answer the two main questions (see Section 0.4, and Section 3):
  - Has the Future Directions Strategy achieved its objectives?
    - What is the impact of the overarching Future Directions Strategy for clients?
    - What is the impact of Future Directions for the communities in which the programs and initiatives are operating?
  - Which Future Directions programs and initiatives work well, for whom, and under which circumstances?
- explore if and how various known policy impact determinants featured in the Future Directions Strategy development (see Section 0.5, and Section 4);
- identify what factors influenced implementation of this policy within government and, in particular, within the department responsible for overseeing the reform, DCJ (then FACS) (see Section 0.5, and Section 4); and
- determine how tenants' perspectives, experiences and interests have been reflected in the design and implementation of the Future Directions Strategy (see Section 0.6, and Section 5):
  - What perspectives, experiences, and interests were borne in mind?
  - What methods were used to solicit information from tenants or prospective tenants to inform the Strategy?
  - When in the Strategy development process was the information gathered?
  - What changes to the Future Directions Strategy were made based on the information received from tenants or prospective tenants?

0.3. Methodology

0.3.1. Outcome Evaluation

This report synthesises the results from the final reports on the evaluations of the three programs and five initiatives.

Analysis of the impacts of relocation on tenants is another important component of this final strategy evaluation as several LAHC FDI projects involve renewal or redevelopment of existing dwellings and sites. Where there are tenants in residence, (temporary) relocation is often one part of the redevelopment process, and it is important to understand its impact on tenants. Our data contain information regarding 663 properties that were designated for relocation between 2016 and 30 June 2021. An analysis of the impact of relocation on the tenants living in these properties is undertaken using a quasi-experimental approach, which is outlined in full in Section 2.3.

0.3.2. Economic Evaluation

A synthesis of the economic evaluations of the programs and the three initiatives for which economic evaluations were conducted (Rent Choice, Opportunity Pathways and Youth Development Scholarships) is undertaken. Each economic evaluation includes cost-benefit analyses under alternative scenarios.

0.3.3. Determinants of Strategy development and implementation

A mixed-methods approach was used to explore and describe the factors that influenced development and implementation of the Future Directions Strategy. The approach included:

- analysis of structured interviews with 12 current and former DCJ policymakers at the executive, manager or senior policy levels who were closely involved in the Future Directions Strategy development and/or its implementation
- document review of 44 Future Directions policy development documents provided by DCJ, and
- synthesis of common themes in implementing Future Directions experienced by CHPs across SHMT, SAHF and LAHC FDI.

0.3.4. Use of tenant perspectives in Strategy development

The purpose of this analysis is to explore the extent to which the Future Directions Strategy development was shaped by evidence about tenant needs. To do this, we conducted a qualitative content analysis of public, internal and confidential documents and information about SAHF, SHMT, LAHC FDI and the SIIs provided by DCJ. We analysed these documents to determine when and how tenant input was solicited, and to identify the extent to which tenant voice (i.e. direct input from tenants through surveys, interviews, consultations or other forums) and tenant interest (i.e. broad statements not supported by evidence that invoke the needs/wants of tenants) were used to justify elements of SAHF, SHMT, LAHC FDI and the SIIs. DCJ staff feedback on the findings of that content analysis was also integrated.

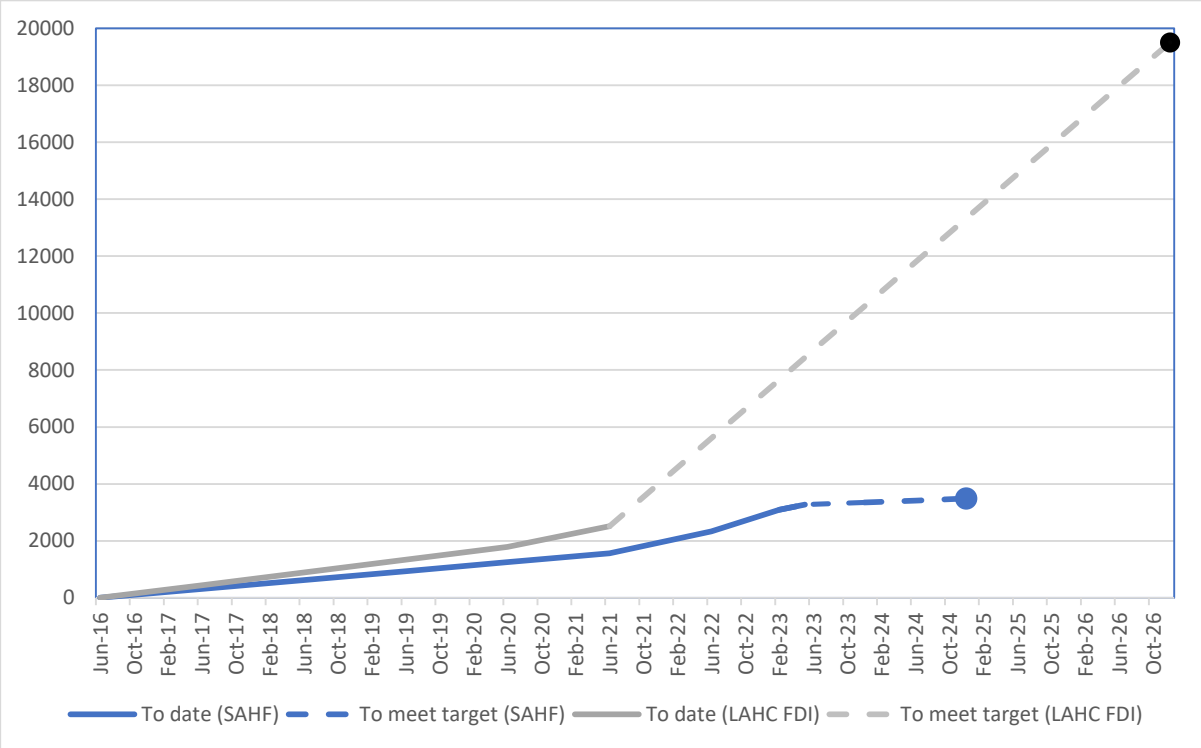
0.4. Outcome Evaluation

0.4.1. Synthesis of early results across programs and initiatives

Providing more social housing – partly achieved

Future Directions is well on its way to providing more social housing. SAHF has been more successful in meeting the targets originally set, however, than LAHC FDI Projects. By the end of May 2023, 3,272 of the 3,486 additional social and affordable dwellings planned for SAHF by the end of 2024 (updated from the original 2023) were delivered (see Figure 0.5). Conversely, by the end of June 2021 (the most recent information that is available to the evaluators), 2,513 new LAHC FDI Projects dwellings had been constructed and were service ready (of the 19,500 planned for LAHC FDI Projects by the end of 2026).[3] SAHF, with approximately 62% of planned dwellings service ready as at 30 June 2021, was exceeding its earlier projections of having around half of all dwellings service ready by that date. **LAHC FDI Projects is falling behind target** with approximately 3,100 dwellings per year having to be supplied to meet their target, well in excess of the most recent rate of 726 per year (and unlikely to be achieved even allowing for the expected slow start due to the long periods of time required for planning, approval and construction).

Figure 0.5 Rate of construction of tenant-ready social housing dwellings and rates needed to meet targets (LAHC FDI and SAHF)



[3] Future Directions proposes to increase the supply of social housing by 23,000 dwellings across its three programs, LAHC FDI Projects, SAHF and the SHMT program. Subtracting the targets for these programs generates a target for LAHC FDI of 19,514 dwellings.

Providing a better social housing experience – mostly achieved in LAHC FDI and SAHF

LAHC FDI and SAHF aim to provide "a better social housing experience" through an improved quality of new/redeveloped social housing. **Overall tenant satisfaction with SAHF is high** across a range of measures and sources of information (tenant surveys and tenant interviews). Tenants are happy with the design and amenities of their new dwellings. The higher market rent for SAHF dwellings ($41 per week higher than other community housing and $61 per week more expensive than public housing in the same allocation zone) is also likely to reflect the high quality of the dwellings. SAHF tenants also experienced improvements in the safety domain and in tenancy stability. **LAHC FDI tenants also reported high levels of satisfaction with their dwellings** which like SAHF attracted higher market rents ($52 to $64 per week). LAHC FDI dwellings, unlike SAHF dwellings, are located in safer neighbourhoods but there were limited impacts on outcomes in the safety domain at an individual level. LAHC FDI tenants experienced improved employment outcomes (2-3 percentage point increase in the probability that at least one person in the household is employed) and, like SAHF, improved tenancy stability.

For SHMT, a better social housing experience is not expected to result from the quality or location of the dwelling, as this will not change with the transfer of tenancy management. The **improvement of the social housing experience is anticipated through improved services**, paid for by the additional rental income from Commonwealth Rent Assistance (CRA). **Results to date are mixed**. SHMT tenants report higher levels of satisfaction with services provided by CHPs, and how CHPs listen to tenants' views compared to public housing tenants' satisfaction with DCJ – average scores are 3.7-3.9 (out of 5) in 2020 and 2021, which is 0.4-0.6 higher than for public housing tenants – but qualitative interviews with 60 SHMT tenants suggest that some tenants are unhappy with the level of communication, responsiveness to requests for maintenance or repairs, and housing management in general (although it is unclear whether they were more unhappy than public housing tenants). SHMT CHPs ability to influence these outcomes was limited by maintenance services being provided by the LAHC contractor until their contract expired in June 2021. Tenant satisfaction surveys showed that SHMT was associated with improvements in various measures of life satisfaction in 2020 relative to public housing tenants. Although satisfaction remained at similar levels in 2021, these are no longer higher than for public housing tenants, with the only significant difference indicating SHMT tenants felt less safe. Overall, housing security for SHMT tenants, both new and existing, is about the same or slightly better than for public housing tenants. Difficulties in accessing CRA experienced by some tenants resulted in them being in arrears on their rent and contributed to their mental load. Health outcomes of SHMT tenants appear to be negatively affected e.g. increased use of ambulatory mental health services (0.9 and 2.3 percentage points more than public housing tenants, for existing and new SHMT tenant respectively).[4]

Most Service Improvement Initiatives also aim to contribute to a better social housing experience. Place Plans successfully engaged with residents and local communities to improve the social housing experience and reduced anti-social behaviour and crime rates in some locations. Opportunity Pathways assisted social housing tenants

[4] Access to (and additional use of) these services is not necessarily a negative impact, especially when it concerns preventive health services. The fact SHMT tenants were able to access these services and were potentially assisted in doing so by the CHP is a positive.

to gain access to employment, with some evidence of increased satisfaction with DCJ and personal wellbeing especially in 2020 (a 0.4-0.6 higher score out of 10 for standard of living, personal health, achievement in life and community connectedness; and a 3.6 point higher score out of 100 on overall wellbeing), but not in 2021. The educational opportunities made available through Early Childhood Education Services (210 children supported into early childhood education) and the Youth Development Scholarships (2,264 scholarships awarded between 2017 and 2021 of which 926 went to young people in public housing and 216 to those in community housing) also enhanced the social housing experience for these tenants, even though there was no evidence of educational outcomes improving.

Providing more opportunities, support and incentives – partly achieved but too early to tell overall impact

It is **too early in the Future Directions lifespan to definitively assess to what extent the "more opportunities, support and incentives to avoid and/or leave social housing" objective has been achieved by the three programs and five initiatives. There have been some positive impacts from programs and initiatives, but also negative impacts on exits from social housing at this early stage**. Both SAHF and LAHC FDI Projects were associated with decreases in positive (tenant-initiated) exits from social housing to private market housing (by 2.4 and 1.1 percentage points respectively). Negative exits (due to a tenancy breach) also decreased under SAHF (by 0.9 percentage points) and were unaffected by LAHC FDI. Consequently, **SAHF tenants are 4 percentage points, and LAHC FDI tenants 3 percentage points, less likely to exit social housing than other social housing tenants.** This is a large reduction in exits, by over 25%. Although new SHMT tenants experienced the largest increase in positive exits (1.6 percentage points), they also experienced a relatively large increase in negative exits (1.0 percentage point). Overall, **SHMT tenants are less likely to remain in social housing** (7.3 percentage points after two years for existing SHMT tenants and 5.6 percentage points after one year for new SHMT tenants).

There is some **early positive suggestive evidence that LAHC FDI Projects, SAHF, SHMT, Place Plans and Opportunity Pathways improved employment among younger household members** (or reduced income support). This may increase the probability of families being able to afford to exit social housing. However, given the increased satisfaction with SAHF and LAHC FDI dwellings, the targeting of SAHF and LAHC FDI Projects to older tenants, the perceived risks associated with the private rental market and the observed decrease in tenancy exits, it is unlikely that these programs will reduce social housing demand.

Opportunity Pathways increased employment (about 40% of participants were employed 13 or 26 weeks after enrolment) and so may contribute to families being able to afford private rental dwellings and so staying out of social housing in the future. However, it was currently found to have no impact on the probability of exiting social housing. **Place Plans similarly had no effect on exits from social housing.** The Youth Development Scholarships initiative was well-received by participants but there was no evidence of it improving education-related outcomes.

Rent Choice generated the strongest result in terms of avoiding (rather than exiting social housing) with 9,822 families being housed outside the social housing sector, and by reducing applications for housing assistance (by 24 percentage points) and specialist homelessness service presentations (9 percentage points less

than the comparison group). Moderately large decreases in entries to social housing were identified for Rent Choice participants (between 5 and 15 percentage points).

In summary, it appears that, given the current population living in social housing, the Future Directions strategy is not sufficient to incentivise exits. The targeting of social housing under SAHF and LAHC FDI to older tenants is in some respects at odds with the objective of increasing exits as older tenants are unlikely to benefit from employment and training programs and hence unlikely to be able to exit. Programs such as Opportunity Pathways that increase employment may however contribute in the longer term to younger tenants being able to move out of social housing over time. Rent Choice was successful in diverting people from entering social housing, hence reducing demand.

Impacts on Communities (beyond impacts on tenants)

Given the nature of the programs that have been implemented to date (smaller, less concentrated developments) community-wide impacts for SAHF or LAHC FDI are unlikely. SHMT, with its large-scale management transfers, has the potential to change the characteristics of neighbourhoods, however it is still too early to expect such impacts. One year after SHMT was introduced, we find no impacts on crime rates or homelessness rates in SHMT postcodes.

Of the SIIs, Place Plans had the potential to generate community-wide impacts in the twenty housing estates in which they were implemented, particularly given the focus on community engagement and finding solutions to community problems. The Place Plans evaluation found greater reductions in crime rates in the treated estates than in the comparison estates. It also found reductions in anti-social behaviour. No change was found in the SEIFA decile score of community disadvantage.

Economic Evaluation

Cost benefit analyses were conducted for each of the three programs and for Rent Choice, Opportunity Pathways and Youth Development Scholarships.

The comparison of SAHF to the counterfactual of the NSW government providing new public housing stock itself, where LAHC would own the dwellings and DCJ continue to manage them, produces a **Net Present Value for SAHF of negative $7.2 million or $3,502 for each SAHF tenant**. This corresponds to a benefit-cost ratio (BCR) of 0.35, indicating that **for every dollar invested in SAHF, there are 35 cents of benefits to society produced**. From the point of view of the NSW government (in an alternative CBA that is not compliant with NSW Treasury (2017) guidelines), the costs of SAHF are less (as CRA is paid by the Commonwealth, rather than the state, government) and the BCR is 1.55, with each dollar expended resulting in $1.55 of benefits.

The **comparison of LAHC FDI Projects to standard LAHC provision in the 5 years immediately prior to Future Directions generates a Net Present Value of negative $7.1 million or $1,540 for each LAHC FDI tenant housed, and a BCR of 0.42**. The CBA from the narrower perspective of the NSW government is 0.60. The costs are slightly higher because there is more community housing (which does not generate rental revenue for the government), and the benefits are slightly higher because the increase in Medicare costs do not accrue to the state government.

Both SAHF and LAHC FDI generate substantial quantifiable benefits but the programs are both quite costly with the costs exceeding the monetised benefits. The CBA may not have fully captured all benefits arising from SAHF or LAHC FDI (e.g.

via quality-of-life improvements and positive neighbourhood externalities) and not all benefits captured may be monetisable (e.g. the intrinsic value of housing stability). Positive externalities from SAHF or LAHC FDI are however likely to be limited given the small size of projects delivered so far, and best estimates from the literature lead to an expectation of at most a small improvement in overall quality of life relative to public housing. These benefits are hence unlikely to be large enough to generate a BCR of one or greater, which would require an improvement in the social welfare of tenants to a net present value of $3,502 or $1,540 per person over a ten-year period.

An important future policy question is whether when investing in social housing stock, state governments should fund CHPs to do this or invest in the stock themselves. A comparison of SAHF and LAHC FDI would speak to this question. This direct comparison was not possible for this report as the number of dwellings is currently too small to make the comparison feasible. This is an important evaluation question for the future.

The CBA for SHMT addresses a somewhat different question – whether the benefits of transferring asset and tenancy management to CHPs outweigh the costs. The SHMT CBA combines two sets of analyses. One for tenants that were in the SHMT property at the time of the transfer and a second for social housing tenants that entered SHMT properties after the transfer had already occurred. The benefits for the latter are not affected by the initial disruption caused by the management transfer, and therefore are perhaps more indicative of the impacts over the longer term. Note also that maintenance responsibility was still with LAHC/AMS throughout the evaluation period, limiting the CHPs' ability to make improvements.

For existing tenants, SHMT has a Net Present Cost of around $33.8 million (or $1,465 per person SHMT houses) and a BCR for existing tenants of -0.68. The BCR is negative because the benefit measures actually lead to a further increase in government expenditure. **For new tenants the Net Present Value of SHMT is approximately $0.5 million (or $241 for every person housed), with a BCR for new tenants of 1.25.** Thus, for every $1 that is put into the program $1.25 is saved by reductions in government expenditure elsewhere.

Combining the CBA results for existing and new tenants produces a net present cost of $30.8 million ($872 per person) and a BCR of 0.04. When examined from the perspective of the NSW government budget, the BCR becomes 0.01. Ultimately, the SHMT CBA shows that CHPs are slightly less efficient at managing social housing in the first few years following the management transfer.

Opportunity Pathways and, possibly, Rent Choice are shown to be good value for money.

Opportunity Pathways is estimated to have a BCR of 1.4. Each dollar of expenditure produces $1.40 of quantifiable benefits in terms of additional income from participants' employment and enrolment in vocational education, additional rent payments to the NSW government, reduced use of homelessness services, reduced costs to the criminal justice system and reduced use of health services.

Rent Choice is estimated to have a net present value of $864.3 million and a BCR of 0.9. Benefits flowing from the program include reduced use of social housing, health services, homelessness services and reduced costs to the criminal justice system. This calculation however does not account for the opportunity cost of social housing. Significantly higher benefit values are calculated if one accounts for these opportunity costs as the program diverts people from social housing leading to

an increased BCR of 4.4. However, this is not compliant with NSW Treasury (2017) guidelines for CBA.

Youth Development Scholarships were not found to generate quantifiable educational or other benefits. The benefit-cost ratio is hence zero. The program awarded 3,433 scholarships worth $1,000 to 2,264 students and over the five years to June 2021 was estimated to cost $5.9 million, with 41% of this cost being in program management and the remainder the cost of the scholarships.

In summary, the provision of social housing is expensive, regardless of the model used – LAHC-owned and DCJ-managed public housing, LAHC-owned and CHP-managed social housing (LAHC FDI Projects and SHMT) and non-LAHC-owned and CHP-managed social housing (SAHF). Further, benefits arising from the provision of social housing are difficult to measure and many benefits are only expected to materialise in the longer term. **Hence, the current economic analyses find that the costs of all three models – SAHF, LAHC FDI and SHMT – currently outweigh the benefits. That is, they do not perform better than the base cases of standard public (or community) housing provision they are compared to. Note that the CBA does not compare against the base case of no or less social housing.** When viewed from the standpoint of the NSW government, as opposed to Australian society as a whole, SAHF offers a better return than LAHC FDI as the costs of CRA are borne by the Commonwealth government. This, however, may not be sustainable in the longer term as the Commonwealth government may not want to continue subsidising social housing to the same extent if more public housing is transferred to CHPs. Furthermore, if the benefits associated with SAHF are not sufficiently high, society overall is not better off as someone has to pay for the CRA. SHMT produces the lowest BCR but the BCR for new SHMT tenants shows benefits outweighing costs. Thus, in the longer term, when new tenants constitute a greater share of all SHMT tenants, management transfers may offer considerable dividends to the public purse.

In short, further evaluation that allows the identification of longer-term benefits is crucial to establishing the real, long-term returns to all three programs.

In contrast, the SIIs **Rent Choice and Opportunity Pathways are cheaper and produce quicker results.** Both appear to be worth further investment as they work well for specific cohorts. Rent Choice effectively diverts people from social housing. The generation of employment for disadvantaged groups under Opportunity Pathways has the potential to divert families from social housing in the future. However, despite the usefulness of these initiatives to avoid the need for social housing for some cohorts, social housing will remain necessary for older and / or more vulnerable cohorts who are unable to afford rent in the private rental market.

0.4.2. For whom did Future Directions work?

Tenants in social housing are a diverse group of individuals and households at different stages of their lives. Not all outcomes that have been examined in the program evaluations are important for all groups of tenants. To address the question “for whom did the Future Directions Strategy work” we examined outcomes separately for different demographic groups.

In terms of the **provision of more social housing**, the groups targeted by SAHF and LAHC FDI – older tenants and women – benefitted the most with many of the new dwellings being allocated to this group. Senior tenants (aged over 55) comprise

46% and 50% of LAHC FDI and SAHF tenants, respectively; women make up 57% of LAHC FDI tenants and 60% of SAHF tenants. LAHC FDI and SAHF also house a greater proportion of CALD tenants than other social housing – 13% of SAHF tenants have a language other than English as their main language, compared to 8% in other community housing while for LAHC FDI this is 26% relative to 13% in other public housing. The proportion of Aboriginal tenants in LAHC FDI and SAHF dwellings is, however, low relative to other social housing, at 11% and 12%.

In terms of **providing more opportunities, support and incentives**, the general finding is that **many results are mixed.** The following clear patterns emerged. Younger tenants were more likely to experience positive impacts on employment outcomes and in the safety domain than older tenants. Aboriginal tenants who often tended to be younger also saw positive employment outcomes. Older tenants were more likely to experience health benefits than younger tenants. Increases in exits to private rental were more likely to be observed in the less competitive regional housing markets.

The evidence from the administrative data and tenant interviews suggests that **SAHF's tailored support coordination assisted vulnerable tenants** (such as CALD tenants) to access the benefits from the program (more so than they could in other programs). Positive employment effects were concentrated among younger tenants (below age 55) – reflecting their greater engagement with the labour market – and Aboriginal tenants (who also tend to be younger). Safety improvements were also concentrated among these groups, and CALD tenants and tenants in major cities.

In the case of LAHC FDI, younger tenants, tenants without disabilities, tenants whose main language is English and Aboriginal tenants experienced positive impacts on employment outcomes. Women and older tenants made greater use of the improved access to health services. In contrast to SAHF, more vulnerable tenants appear to have benefitted less from LAHC FDI. For example, CALD tenants experienced smaller improvements in the risk of homelessness, employment outcomes, contacts with the justice system and the need for emergency care.

Although the improvement in employment outcomes experienced by younger tenants under SAHF and LAHC FDI may allow them to exit to the private rental market in the future, such impacts are not yet observed.

Few systematic differences were found for existing SHMT tenants. **Among new SHMT tenants, gender differences in impacts were apparent** in the increased likelihood of women exiting to private housing and women experiencing greater improvements in housing stability. Younger tenants also experienced greater improvements in housing stability and more positive criminal justice impacts, with older tenants experiencing more positive health impacts.

Both existing and new **regional SHMT tenants seem to fare less well than tenants in major cities, except that SHMT tenants in regional areas were more likely to exit to private housing than SHMT tenants in cities**, likely reflecting the less competitive private rental market in regional areas.

Existing Aboriginal SHMT tenants do not appear particularly disadvantaged by the management transfer but also do not seem better off than they were before. For **new Aboriginal tenants, SHMT seems to have led to better outcomes in a number of important domains**, such as housing security (the probability of being at risk of

homelessness decreased by 5.9 versus 2.7 percentage points for non-Aboriginal tenants) and safety and justice (reductions in contacts with child protection services and court appearances of 4.6 and 2.9 percentage points respectively). Aboriginal tenants also experienced a greater increase in income support ($707 per year) which could be a positive outcome if it is due to better information from CHPs on their eligibility for such payments. **There however seemed to be worse health and education outcomes.**

CALD SHMT tenants experienced more adverse impacts than non-CALD SHMT tenants, including greater deteriorations in housing stability.

Some of the Service Improvement Initiatives also benefitted some groups more than others. Opportunity Pathways improved employment outcomes for its participants, most of whom are aged 16 to 25 years. There was some evidence that the program was more effective among the long-term unemployed and less effective for Aboriginal people. Aboriginal participants had higher levels of income support at baseline, possibly reflecting higher needs at entry, and although they experienced decreases in income support as a result of the initiative, the decreases were smaller than for non-Aboriginal participants.

Under the Youth Development Scholarships proportionately more Aboriginal young people, young people with a disability and young people living in out-of-home care were awarded scholarships (reflecting the selection criteria). Young women were more likely to apply and slightly more likely to be awarded a scholarship than young men. However, there were no differences in outcomes for these groups.

In terms of **encouraging diversion from social housing**, under Rent Choice, women had higher approval and activation rates than men. CALD clients had lower approval rates than others in Rent Choice Youth but higher activation rates. Aboriginal people were less likely to be approved to participate in the initiative and less likely to activate or secure a private rental tenancy. When they were approved, Aboriginal clients broadly achieved the same success, but qualitative evidence indicates Aboriginal people may find it more difficult to access the private rental market.

0.4.3. Impact of relocations that occurred from 2016 onwards

Tenants at LAHC FDI Projects redevelopment sites were relocated to allow the redevelopment to proceed. Understanding the impacts on these tenants is important for an overall assessment of the Future Directions Strategy. Those who were relocated as a result of the redevelopment of their LAHC FDI Projects dwelling left very old dwellings and were moved to newer dwellings. The dwellings they left behind were in good locations (in terms of distance to amenities), consistent with LAHC's strategy of redeveloping dwellings in better locations. The tenants' new locations were however superior in terms of higher levels of economic activity, socioeconomic advantage and safety. **No substantial negative effects of relocations on tenant outcomes were detected.** The results on the impacts of relocations, however, need to be treated with **caution as at present only a small number of relocations have occurred** within the relevant time period and are concentrated largely in one allocation zone.

0.4.4. Overall Assessment

We have summarised information from the synthesised findings in Table 0.1 below. Each cell is colour-coded to reflect the extent and strength of the evidence in support of each program's and initiative's contribution to the three Future Directions objectives: more social housing; a better social housing experience; and more opportunities, support and incentives to avoid and/or leave social housing.

There has been strong progress in the provision of **more social housing** under SAHF and slower than anticipated progress under LAHC FDI Projects (reflecting the proportion of target dwellings that have been supplied – not absolute numbers of dwellings – with the majority of social housing under LAHC FDI Projects still to be delivered in coming years).

Progress has also been recorded consistently across the programs and initiatives in terms of **improving the social housing experience**. All programs/initiatives which were designed to address this objective have contributed to this goal, with mixed results being observed only for SHMT (possibly reflecting teething problems in the stage shortly after the management transfer which is likely to have been stressful for tenants).

There is **less evidence of progress for the objective of encouraging exit from (or avoidance of) social housing**. Only Rent Choice made strong progress on this front by housing 9,822 families outside social housing and reducing the likelihood of participants applying for housing assistance and homelessness services. Both SAHF and LAHC FDI Projects were however associated with large decreases in the probability of tenants exiting social housing in the study period, which is at least partly due to the targeting to older tenants (and thus to be expected). For this group the decrease in exits should be seen as an improvement in housing stability, which is one of the objectives of social housing for this group (rather than expecting them to exit to the private market). Existing SHMT tenants were less likely to exit to private rental housing than public housing comparison tenants. New SHMT tenants were more likely to have a negative exit (1 percentage point) and more likely to exit to private rental than public housing comparison tenants (1.6 percentage points). The result for new tenants suggests there may be potential for exit rates from SHMT dwellings to private housing to increase over time as new tenants become a greater share of SHMT tenants. There is limited evidence though of strong economic gains which would make private rental feasible for SHMT households. For example, reliance on income support was not reduced among SHMT tenants.

Programs and initiatives that increase the earnings capacity of tenants may contribute to more exits from social housing in the future. While exits were observed to decrease in **SAHF and LAHC FDI, both programs improved employment outcomes among younger tenants** which may offset the decrease in exits in the future. It is important that younger tenants have good access to opportunities for education and employment to ensure an exit to the private rental market becomes achievable for them. **Opportunity Pathways** also contributed to this objective by **decreasing reliance on income support and increasing enrolments in vocational education** which may lead to improved employment opportunities and ability to rent privately in the future. Place Plans were also associated with a small increase in employment.

Table 0.1 Summary of impacts of the Future Directions Strategy by objective

Future Directions Objectives:	Social and Affordable Housing Fund (SAHF)	Social Housing Management Transfer (SHMT)	Land and Housing Corp Future Directions Implementation Projects (LAHC FDI)	Place Plans	Early Childhood Education Services	Rent Choice	Opportunity Pathways	Youth Development Scholarships
1. more social housing	3,272 new social and affordable dwellings service ready by May 2023 (of the final 3,486 by end 2024)		2,500 new dwellings service ready by June 2021 (of the final 19,500 by end 2026)					
2. a better social housing experience	SAHF tenants report being happy with the design and quality of their dwellings. There is increased tenancy stability and a greater sense of safety. All tenant types benefitted from this. There is increased employment among younger tenants.	Improvements in satisfaction with CHP housing services compared to satisfaction with DCJ. Problems accessing CRA. Problems accessing AMS maintenance. Some interviewed tenants report decreased satisfaction with housing management.	Tenants mostly satisfied with the design and quality of dwellings. Increased tenancy stability, greater sense of safety. Neighbour-hoods with less crime and fewer drug offences. More vulnerable tenants, e.g. CALD, did not experience the same benefits as others.	Place Plans successfully engaged with residents and local communities. Reductions in anti-social behaviour and crime rates in established locations.	210 children supported into early childhood education (as of 30 June 2020). Participants say access to ECE not otherwise possible.		3,471 people (1,458 who were social housing tenants, and 1,007 who were on the Housing Register) were enrolled in the program. Some evidence of increases in personal wellbeing and satisfaction with DCJ.	2,264 scholarships awarded between 2017 and 2021. Initiative was over-subscribed and eligible applications increased over time. Positive reports by participants and communities.
3. more opportunities, support and incentives to avoid and/or leave social housing#	>50% reduction in tenant-initiated terminations and lower likelihood of exiting social housing. Increases in employment and decreases in income support among younger tenants may lead to more positive exits in future.	Small decreases among existing tenants in positive exits to private rental, small increases in positive exits to private rentals for new tenants (relative to public housing tenants). Tenants report being unlikely to exit social housing, but they are more likely to exit relative to public housing tenants. No clear effects on economic outcomes.	17% reduction in tenant-initiated terminations. Sustained increases in likelihood of at least one household member being employed. Increases in employment among younger tenants may lead to an increase in exits in future.	No impact on probability of exit. No change in proportion in arrears. A small increase in employment but no change in the probability of being a wage earner.	Some families (3 of the 8 interviewed) reported that ECES allowed them to pursue education, training and employment opportunities.	9,822 families housed outside the social housing sector. Reduction in applications for housing assistance and homelessness services. Rent Choice and Opportunity Pathways work well together.	Decrease in income support. 37% of participants in the program employed or in education or training 13-26 weeks after enrolment. No impact on likelihood of being in public or community housing.	No evidence of improvements in education outcomes. Only 16% of interviewed students reported they would have disengaged from school without the scholarship.

Key:

*Based on information to June 30, 2021.

	Good progress		Moderate progress		Minimal impact/Little evidence		Moderate adverse impact		Severe adverse impacts		Not applicable

0.5. Determinants of strategy development and implementation

Analysis of policy determinants influencing Future Directions Strategy development and implementation, identified through interviews with senior policymakers in DCJ, showed the Future Directions Strategy was broadly shaped by factors known to enhance policy impact: strong financial and political support; policymakers' deep commitment to the success of the initiative, and extensive stakeholder engagement across government and the community housing sector. A review of key strategy development documents showed inclusion of another key policy determinant – use of research evidence – was limited in terms of not using evidence on what social housing policies were effective in improving tenant outcomes.

Areas for improvement in implementing the Future Directions Strategy, arising from interviews and document review, included:

- Reducing staff movement and restructures during major policy implementation.
- Expanding policy goals to take in a wider system view of barriers and enablers, such as affordability of private rentals, in order to achieve strategy goals of increased tenant exit to private housing.
- Increasing the use of research evidence on effective policy (i.e. what works in improving tenant outcomes) in the development of social housing policy, programs and implementation.

Common experiences of CHP implementation of Future Directions across the three Strategy programs (SHMT, SAHF and LAHC FDI), described in detail in individual program evaluation reports, provided insights into program implementation. The following three common implementation experiences were observed:

- CHPs and ServiceCos are a good fit for the Future Directions Strategy. They are well connected to the service sector, have a clear view of the objectives of the reform, and are interested in more opportunities within social housing. This suggests endorsement for DCJ's selection of delivery organisations.
- The Future Directions Strategy has produced larger CHP organisations, changing the landscape of the industry, and potentially reducing competitiveness and driving inequalities in the sector. Continued assessment of this, potentially unintended, impact should be undertaken in the future.
- Contractual and program complexity was a standout concern for stakeholder organisations (CHPs, developers and councils) across all three Future Directions programs.

0.6. Use of tenant perspectives in strategy development

Involving the public in the development of policies and programs is widely recognised as best practice, internationally, within Australia and by the NSW government. According to NSW government's Charter for Public Participation, citizen engagement makes an important contribution to improving trust in the government (Information and Privacy Commission NSW, 2018). Evidence from research undertaken in the UK in the context of social housing demonstrates that engaging

tenants in decision making and governance leads to improvements in value for money, as well as personal benefits to the tenants themselves (Manzi et al. 2015, 40).

Given the importance of public participation to the development of programs and policies, we set out to understand the way in which tenants were involved in the development of the Future Directions Strategy. Document analysis yielded evidence that the government solicited input from social housing tenants in the early stages of formulating the Future Directions Strategy, and that this input did contribute to changes to the Strategy. However, opportunities for tenant input beyond the initial consultations were limited, leading to inconsistencies in the extent to which tenant input influenced the elements of different programs. We find that SAHF was justified by input from tenants to a greater extent than SHMT, LAHC FDI or the SIIs.

Our analysis also highlights that the processes used to solicit input from tenants was inclusive of the voices of people with disability but may have unintentionally created barriers to comprehensively including the voices of Aboriginal tenants and some CALD tenants due to a lack of deliberate processes to include people from these cohorts in the consultation processes.

Our analysis suggests that for future housing policies to be designed in a way that reflects the NSW's government's commitment to public participation, they should consider the following:

- Tenants should be able to provide input into ideas as they evolve which would encourage policy makers to provide justification for decisions that are made at different stages of the process.
- There is a need for the government to consider a variety of methods of engaging tenants to ensure a diverse range of voices and experiences are recorded
- There is a need for greater transparency around communicating to tenants about what aspects of their input was made part of the Strategy and what aspects were not feasible and why.
- It is both tenants' day-to-day lives and their futures that are affected substantially by the outcomes of this strategy.

0.7. Lessons learned and recommendations from the Strategy evaluation

Here we provide a tabular summary of recommendations that follow from the lessons coming out of the evaluation. These are organised in three categories: i) the design of the Future Directions Strategy and social housing policy, ii) program design and implementation, and iii) future evaluations. The first category includes general recommendations for the overall Future Directions Strategy and/or general social housing policy, while the second category includes recommendations for changes in the design or implementation of the Future Directions Strategy. The third category focusses on recommendations for improving future evaluations. Recommendations specific to each of the programs or initiatives are included in the relevant Program Evaluation reports or in the SII Evaluation report.

	Recommendation	Lesson	Specific findings
1. Design of the Future Directions Strategy and social housing policy more generally			
1.1A	Codify tacit knowledge and evidence used in the development of social housing policy	Social housing policy could be strengthened by ensuring information on effective policy is available and integrated into policy design	Knowledge used in policy development for Future Directions appeared to be tacit rather than explicit (i.e. statements in policy were not referenced to research evidence). Tacit knowledge can reduce explicit sharing of effective social housing policy. NSW government should codify tacit knowledge to ensure accuracy in knowledge transfer and develop a standard of the explicit inclusion of evidence in policy to improve outcomes for the social housing sector into the future. Current research partnerships may not be delivering the type of evidence required to develop effective policy. In general, evidence used within Future Directions documents focused on aetiology (i.e. the study of the characteristics of social housing tenants) and burden, rather than evidence on the effectiveness of interventions or evidence on implementation in context. Addressing this critical knowledge gap in effective intervention could be enabled by partnerships with researchers (e.g. through AHURI, secondments or expert commissions). DCJ has a long-standing arrangement with AHURI through funding and input into AHURI's annual national research agenda. This partnership could be further leveraged to include a stronger focus on effective policy and 'what works' to improve tenant outcomes. Research on causes and burden guides policy targeting; research on effectiveness guides what that policy should look like. Future Directions policy relied on research, primarily internal to government, that helped to describe the case for social housing system change but not what this change should look like. There seemed to be a lack of (use of) explicit evidence on the most effective ways to intervene to improve tenant outcomes through social housing in the specific context in question. Research demonstrating the effectiveness of policy should form the bedrock of any social housing reform.
1.1B	Invest in research partnerships that deliver evidence on the effectiveness of social housing policy		
1.1C	Base future social housing policy on evidence of effective policy and 'what works' in improving tenant outcomes		
1.2	Include greater public engagement and more transparency in future social housing policy design	The Future Directions Strategy could have been strengthened by greater engagement with end-users during the design phase	While tenants were consulted as part of the process of developing the Future Directions Strategy, there is scope for stronger public engagement and greater transparency with the public regarding decisions made with input provided by the community.
1.3	Continue evaluation in the future	On the current evidence, it is not clear which models of social housing provision are most effective	More time is needed to assess longer-term impacts which may differ from the immediate short-term impacts that were observed during the first one to three years. Impacts on tenant outcomes like health, education and employment likely need more time to become evident. We have found different impacts for different subpopulations, and so a mix of different models is likely to be ideal; a key question to be answered is "in what proportions the different models should be present".
1.4	DCJ to establish a cross-departmental working group to address disadvantage in a multi-pronged way, ensuring tenants' access to complementary support programs delivered by other departments	There are no quick fixes	Provision of social housing with additional support can be life-changing for tenants but social housing by itself is unlikely to be able to address all aspects of the often complex disadvantage experienced by tenants. Employment programs such as Opportunity Pathways that connect people to work or programs addressing mental health issues are likely to be essential in helping people to turn around their lives. A cross-departmental working group consisting of experts in all relevant areas could target the often multiple disadvantages and issues faced by social housing tenants with the aim of decreasing tenant dependence on social housing and income support in the long-term.
1.5A	DCJ/LAHC to develop clear and engaging multi-media communication strategies that demonstrate the benefits of a project to the entire community	Increasing social housing supply is a slow process, but better communication with councils and the wider community could reduce delays	Long lead-in times are required for large building and redevelopment projects to come off the ground. It is clear that the delivery of LAHC FDI project dwellings is running behind schedule. While acknowledging that some of the delays in LAHC FDI projects may have been due to COVID19 and subsequent supply chain problems, engaging early with all relevant stakeholders and establishing strong relationships with local planning authorities can work to reduce delays and ensure the preparation stages run more smoothly. In addition to the cross-departmental working groups (mentioned under Lesson 1.4 above), a working group across different levels of government (Commonwealth, state, council) could ensure that common goals are identified and worked towards collaboratively.
1.5B	Develop a local council engagement plan, and engage early and establish strong relationships with local planning authorities		

	Recommendation	Lesson	Specific findings
1.5C	Consider re-centralising approvals for major projects		Approvals of State Significant Developments were moved from the Department of Planning and Environment to local councils in 2019. Local council processes are causing significant delays to LAHC FDI Major Projects which generally rely on rezoning and an uplift in density for feasibility.
1.6	SHMT should continue to run its current course and further evaluation of medium- and longer-term outcomes undertaken, with improved measurement of outcomes before deciding on further management transfers	Impacts of SHMT are very different for existing and new tenants, and the costs are not (yet) outweighed by the benefits	For existing SHMT tenants the BCR is negative while for new tenants the BCR is well over one, indicating that costs are outweighed by benefits for the latter group only. Although this may be partly due to differences in tenant composition for the two groups, tenant interviews suggest that this is at least partly due to the disruption caused by the transfer. Although the impact of this disruption may dissipate over time, this needs to be re-examined at a future time.
1.7A	Broader housing reform is needed to provide better alternatives to social housing for low-income households	Social housing and Rent Choice assist different populations with few transitions from social housing to private rental with Rent Choice	Rent Choice appears effective at diverting households from social housing but it is not used by many social housing tenants despite a specific Rent Choice product targeting social housing tenants being piloted. Exit rates from social housing remain low. Tenant interviews suggest that the reason for this is that many tenants have no choice but to stay in social housing. The creation of viable affordable and secure housing options outside social housing is essential to the sustainability of the social housing system and will require a whole of government effort, at state and Commonwealth levels. The current social welfare system is designed to assist those on the lowest incomes. As a result, as their incomes rise households face higher implicit marginal tax rates, losing eligibility for various programs, and social housing rents increase for them. This creates a powerful disincentive for households to seek employment, work longer, seek education which would raise their income, and search for better paid jobs as the immediate benefits of doing so are diminished. This results in very limited incentives for households to exit social housing. Although outside its jurisdiction, DCJ should advocate for and facilitate changes to the welfare system. An area that DCJ should re-examine is how social housing rents are set in relation to household income; for example, considering delays to rent increases when household incomes rise, increasing rent only when increases in household incomes are sustained over a set period of time, and rent tapering so that rents increase only slowly in response to an increase in income. The budgetary impacts of such changes would of course need to be assessed. However, even if some people could be diverted from social housing and/or more social housing tenants could exit to a private market rental, the number of people on the waiting list is likely to remain high if the number of social housing dwellings does not increase substantially.
1.7B	Address structural barriers created by the current social housing and welfare system		
1.7C	Expand the number of social housing dwellings substantially		
1.8A	LAHC should opportunistically purchase existing dwellings to increase supply of social housing quickly and cost-effectively	While there are sizeable benefits of SAHF and LAHC FDI for tenants, they are costly programs	There is evidence of positive impacts for both LAHC FDI and SAHF tenants with regard to a number of outcomes, for example in the health and justice domains, as well as positive impacts on housing stability. Although there may potentially be other benefits that have not yet been monetised or benefits that will only become evident at a later stage, the current evidence suggests that the benefits of LAHC FDI and SAHF are outweighed by its additional costs compared to the cost of other social housing.
1.8B	DCJ should investigate higher tenant rental contributions		
1.8C	Do not prioritise a SAHF model over conventional social housing in the short term		

	Recommendation	Lesson	Specific findings
1.9A	Consider trialling public (or other community) housing with Tailored Support Coordination as a more cost-effective approach	Management and tenant support are important to tenant satisfaction and wellbeing	High levels of satisfaction among interviewed and surveyed SAHF tenants are attributed (at least partly) to high-quality ServiceCo management and communication and the provision of service coordination support. However, there are limitations in its current implementation, and as mentioned in lesson 1.8, the cost of SAHF is relatively high. ServiceCos reported that current timeframes for completing initial needs assessments are seen as restrictive and do not allow sufficient time for stakeholders to build rapport and gather essential information from tenants to inform Tailored Support Coordination. In addition, some tenant cohorts continue to experience specific challenges, despite generally benefiting from SAHF housing, and these cohorts may need additional support. This could include tenants with language barriers, or tenants living with a disability or caring for someone with a disability.
1.9B	Improve the Tailored Support Coordination model for SAHF and other social housing tenants		
1.9C	Identify likely beneficiaries of Tailored Support Coordination and trial targeted Tailored Support Coordination		
2. Program design and implementation			
2.1	Continue Opportunity Pathways and investigate the cumulative impact of Rent Choice or one of the Future Directions programs and Opportunity Pathways	Potential benefits from combining initiatives and programs	Qualitative evidence collected for the SII reports suggests Rent Choice and Opportunity Pathways may be usefully delivered together as each initiative seems to reinforce the impact of the other initiative. Similarly, ensuring that younger tenants living in social housing dwellings have access to an employment program like Opportunity Pathways may assist these tenants in gaining stable employment and enable them to exit from social housing to housing in the private rental market. A targeted pilot study to assess the combined impact of a housing policy with an employment program on successful exit to the private rental market would provide important evidence regarding the potential effectiveness of such a strategy. The current restriction of Opportunity Pathways to four locations could potentially be used to conduct a quasi-experimental analysis.
2.2A	Simplify application processes for service provision	Application processes need to be straightforward	A lesson coming out of more than one report is the importance of having easily understood programs with a streamlined application process. E.g. simplification was recommended for Rent Choice which currently has five Rent Choice products targeted to specific cohorts and delivered as stand-alone products with their own policy framework and operating guidelines. This was found to raise challenges for program promotion and was confusing for applicants who may be eligible for more than one product. A streamlined application process is particularly important when there is a need to apply for essential support like the CRA in the SHMT program. While considerable effort was invested in communication and support to facilitate access to CRA, difficulties in applying for CRA have created financial stress and confusion among some SHMT tenants indicating more support was needed.
2.2B	Secure additional funds for social housing directly via the Commonwealth-State Housing Agreement rather than indirectly via CRA		
2.3	Reduce complexity of legal and maintenance contracts between DCJ and engaged providers (e.g. CHPs) where possible	Complexity in contracting, common across all three major programs, has impacts for tenants	Contractual and program complexity was raised as a concern across all three Future Directions programs. While the type of complexity differed, and CHPs and other stakeholders were able to overcome implementation problems in time, CHPs perceived these complexities to have a negative impact on tenant engagement and services, and this appears in part to be borne out in the reports of tenants.

	Recommendation	Lesson	Specific findings
2.4	DCJ and CHPs should collaborate more closely on future management transfer processes	Lead-in time to build relationships, trust and rapport with individuals and other agencies in the community is vital	Lead-in time to build relationships, trust and rapport with individuals and other agencies in the community is perceived to be vital, and indicative of the success of SHMT. Equally important is access to full information on the dwellings (including the state they are in) and on the transfer process from the time of the request for tender, and ensuring sufficient time is allowed for communication (including allowing time for developing a joint communications campaign).
2.5A	Increase and improve communication with tenants at all stages of the policy process	The importance of engaged housing management staff and service providers	In all evaluation reports there was evidence of the importance of engaged housing management staff and service providers who establish strong, trusting relationships with tenants and participants, and who were able to build strong partnerships and coordination among local service providers for the programs' and initiatives' success. Issues around communication were raised in different programs and at different stages of the policy process. Better communication can improve outcomes at relatively low extra cost. The findings of this evaluation indicate that there are benefits in establishing a process by which tenants can contribute multiple times throughout a policy development and implementation process, via a variety of methods to ensure a diverse range of voices and experiences are captured. This would allow tenants from diverse backgrounds to provide input to ideas as they evolve and would encourage policy makers to provide justification for decisions that are made. More effort in day-to-day communication around service provision for groups who may have difficulties communicating in English would ensure vulnerable groups (such as CALD tenants) do not miss out on the support that is available to them.
2.5B	More Aboriginal staff and cultural competency training		To ensure support workers and other staff working with tenants and clients are able to build strong relationships with clients from various cultural backgrounds, it is important to employ a multicultural workforce and ensure that staff understand cultural sensitivities and are able to interact empathetically with people from a range of backgrounds. The SII evaluation report suggests that having more Aboriginal staff and/or cultural competency training could improve the relationship of staff with Aboriginal participants across initiatives. This is especially important given that approval decisions are made based on the judgement of specialist staff and results indicated Aboriginal applicants were less likely to be approved, despite there being no evidence that the positive impacts of the program were different for Aboriginal and non-Aboriginal participants.
2.6	LAHC should not be deterred from pursuing development opportunities due to concerns about the potential impacts of relocation	Relocation did not result in negative impacts for relocated tenants	Early results from the analysis of administrative data for a small number of relocated tenants up to one year after relocation show very limited impacts on the tenants' outcomes. Although this analysis will need to be repeated at a later point in time to ensure this result is not just due to the small sample size, this is a reassuring outcome. Dealing with relocation in a sensitive (and emphatic) way will ensure that the need for relocation of tenants will not be a major impediment to the redevelopment of social housing sites.
2.7	Monitor impact of policy on opportunities for all CHPs	Future Directions is changing the social housing landscape in NSW	CHPs and ServiceCos were found to be a good fit for the implementation of the Future Directions Strategy. Although this increased opportunity and CHP growth in capacity and capability to deliver social housing through Future Directions, it may lead to smaller CHPs, many of which provide specialised tenancy services and/or serve specific communities/geographies in the state, not being given as many opportunities to develop and grow in the sector. This could drive inequalities in the sector and has implications for future social housing reform. The impact of Future Directions policies on opportunities for large and small CHPs should continue to be monitored.

	Recommendation	Lesson	Specific findings
3. Future Evaluations			
3.1	Evaluate the effectiveness of Tailored Support Coordination (TSC). What benefits does it generate? Do its benefits outweigh its costs?	Tailored Support Coordination is popular among stakeholders and tenants but how effective is it?	A comparison of outcomes for similar tenants in similar dwellings, one group of which has access to TSC and the other of which does not would allow the benefits of TSC to be identified. A comparison of the monetary value of these benefits with the costs of providing TSC would answer the question as to whether it is good value for money.
3.2A	Improve the quality of social housing data collection	The Future Directions evaluations have produced valuable evidence, but can be improved in a number of ways	Key data issues identified include the lack of a common person identifier across the social housing system, incomplete data reported by CHPs, inconsistent data definitions used by CHPs within the community housing administrative dataset, and inconsistent data definitions between public and community housing administrative datasets. We know that the quality of the social housing dwellings is important for tenants' experiences, but data on dwelling quality is very limited or non-existent.
3.2B	DCJ to develop a metric for quantifying dwelling quality that can be applied uniformly across public and community housing		
3.2C	Explore further data linkages to improve data on economic outcomes		Outcomes relating to Centrelink income receipt and income and employment outcomes measured using social housing tenant data do not provide full coverage of economic outcomes of tenants. There are currently no data available for tenants who moved out of social housing and no longer receive income support. Linking of ATO data to the existing linked administrative data would improve understanding of the economic impacts on tenants over time, regardless of where they are.
3.2D	Create more detailed measures of health and wellbeing from Medicare data rather than only relying on use of pharmaceutical benefits, Medicare benefits and hospital services		Medicare data report details on if, and when, people have been diagnosed with health conditions which would help disentangle whether changes in utilisation of health services are the result of improvement in access to services or of a deterioration in health.
3.2E	Ensure high-quality monitoring data is collected for all initiatives		The SII evaluations noted problems in existing monitoring data, particularly in relation to Opportunity Pathways, which made it difficult to assess the program's impact. The final report for the SII evaluation laid out a framework for embedding monitoring activities in initiatives so that initiative staff understand how the data are being used and why it is important to collect, and so that behavioural incentives are created for more accurate data collection. Improved data would enhance future evaluations.
3.2F	Ensure representative observation of the tenant experience		Wellbeing is not well captured in administrative data. There would be significant value in conducting a representative quantitative tenant survey, similar to the HOSS, but also including community housing tenants and administered in a way to optimise response rates.
3.2G	Greater engagement with Aboriginal tenants to increase their participation in the evaluation		Aboriginal tenants are a relatively small subpopulation. To understand how they are faring, they need to be well-represented in tenant interviews and surveys so that sufficiently large sample sizes are achieved.

1. Introduction

Future Directions for Social Housing in New South Wales (Future Directions) is a NSW government reform which aims to transform the state's social housing system. This document brings together findings of the short- to medium-term evaluation from the three programs and five initiatives that make up the Strategy in an overall Strategy Evaluation of Future Directions. This chapter summarises key aspects of the Future Directions Strategy, sets out key considerations in the evaluation, and outlines its purpose and scope.

1.1. Future Directions Strategy

1.1.1. Policy context

The sustainability of the social housing system is a challenge. A 2014 FACS discussion paper reports that no social housing provider in NSW earns a sufficient operating margin to cover the full lifecycle cost of asset maintenance and replenishment without accessing non-social housing sources of revenue (FACS, 2014). Expenses on property maintenance continue to rise as a result of an ageing portfolio of stock that requires significant and increasing levels of maintenance. While costs have increased, revenues under the income-based rent model have not kept pace with increasing costs and have declined relative to the growing operating costs.[5]

Much of the current social housing system in NSW originated after the Second World War as a way to provide housing for low-income working families. Today the system supports a different demographic – the most vulnerable people in our community who need a safety net. The social housing system is challenged by limited growth in rental income, constrained government funding, ageing assets and rising operating costs. Importantly, it is a system that does not yet do enough to change the lives of the people it *now* serves.

The main goal of providing social housing is to ensure that 'greatest needs' households and 'special needs' households have access to a long-term, affordable, safe, appropriate and high-quality dwelling. In NSW, a range of social housing products and services are provided. These include social housing dwellings for short-term and long-term leases, as well as affordable housing, rental bond loans, tenancy guarantees, tenancy facilitation and private rental subsidies, which have the additional aim of supporting people to move into (or remain in) the private rental market.

At the start of the Future Directions Strategy in 2016, NSW had the largest social housing system in Australia, with around 134,000 dwellings (approximately 85% government owned) supporting around 270,000 individuals (AIHW, 2017b). However, this is a decrease from 2014, when NSW had around 150,000 dwellings (approximately 90% government owned and 80% government managed) supporting around 290,000 individuals (FACS, 2014; AIHW, 2015). In 2016, approximately 20,000 properties were managed by CHPs (including dwellings owned by CHPs,

[5] Extracted from FACS (2014) and FACS (2015).

government and rented from private landlords with government funding) (AIHW, 2017b). A further 22,900 individuals were supported via private rental assistance (AIHW, 2017a) and 21,500 households were assisted with temporary accommodation (a substantial increase from 14,000 in 2013-14) (DCJ, 2023).

While NSW, like other Australian states, has a large asset base of dwellings, the majority of annual funding for the social housing system comes from the Commonwealth government (FACS, 2014).[6] In addition, the Commonwealth provides housing assistance in the form of Commonwealth Rent Assistance (CRA) which was provided to 430,000 NSW households in 2016 (420,000 in 2014) (AIHW, 2017a). Community housing tenants are eligible for CRA while public housing tenants are not. This CRA is paid to CHPs in addition to the income-based rent paid by tenants (which is the same as the income-based rent paid by public housing tenants). As a result, the proportion of community housing tenants who pay 80-100% of market rent increases substantially from 8% to 19% of all tenancies when CRA is taken into account (FACS, 2014).

Despite the large size of the social housing system in NSW, social housing remains a scarce resource where the number of applicants exceeds the number of available dwellings, and the numbers reported in the previous paragraph show it had become more scarce in the years leading up to 2016. Tenants are staying longer in public housing, resulting in fewer opportunities to assist the nearly 60,000 approved applicants on the NSW Housing Register who are waiting for social housing.[7] For many social housing tenants, private market rental, which has become increasingly unaffordable (compared to income support payment rates), is not a viable option. For example, for older tenants on income support without assets, social housing is the only option. Additionally, the social housing asset portfolio has failed to keep abreast of changing tenant profiles, resulting in dwellings that do not meet tenant requirements with regard to size, location, modifications and access. For example, due to the relative increase of single-person households and other small households, 41% of larger social housing dwellings with four or more bedrooms are underoccupied, while 88% of one- or two-bedroom dwellings are appropriately occupied (FACS, 2014). Social housing applicants have limited options to nominate preferences aside from the allocation zone, and they cannot refuse more than one reasonable offer of a dwelling.

Despite the NSW government already introducing initiatives to improve the system, such as increasing the transparency of the Housing Register, reducing underutilisation of larger dwellings and providing support for training programs for tenants, the pressure on the NSW social housing system continues to grow. In 2016, the social housing system, combined with a competitive private rental market, provided limited opportunities and pathways to independence for tenants. The average tenure in social housing was long and increasing, with more than 50% of tenants living in social housing for 10 years or more. In addition, social housing tenants reported lower educational achievement, higher levels of unemployment,

[6] At $500 million, Commonwealth funds accounted for more than half of the $811 million NSW State Budget appropriation for Social Housing Assistance and Tenancy Support in 2013/14 (FACS, 2014).

[7] Despite continuous leases no longer being provided since 2006 and shorter fixed-term leases increasing, average tenure has increased from 10.7 to 11.9 years between 2008/2009 and 2012/2013. Over the same period, the exit rate decreased from 7.4% to 6.9% of all tenancies per annum (FACS, 2014).

poorer health and higher rates of mental illness than the NSW average (McLachlan et al., 2013; FACS, 2014).

The clear need for more investment in social housing – not just to provide additional dwellings but also to invest in social housing tenants' skills, so they have a chance to exit to the private rental market (perhaps via affordable housing or via support through Rent Choice) – led to the Future Directions Strategy where the provision of social housing is complemented by initiatives to assist tenants in achieving independence of the social housing system. The suite of discrete and complementary components that make up the Future Directions Strategy are introduced in Subsections 1.1.2 (on the social housing programs) and 1.1.3 (on the service improvement initiatives).

1.1.2. The Future Directions programs

To respond to these challenges, on 24 January 2016, the NSW government announced a new 10-year vision for social housing — *Future Directions for Social Housing in NSW* (FD).

Future Directions is underpinned by three strategic priorities, aimed at transforming the sector:

- more social housing;
- more opportunities, support and incentives to avoid and/or leave social housing; and
- a better social housing experience.

As is clear from these priorities, Future Directions is focused not only on the quantity of housing, but also on the quality of the social and affordable housing experience. Thus, Future Directions was anticipated to not only shorten the Housing Register by providing more housing[8] but also — through the provision of greater support and access to services — increase the rate of transitioning out of social housing (for those tenants who are able to), and lead to better experiences and outcomes for social and affordable housing tenants. The second and third priorities are likely to cause opposite impacts on the probability of exiting social housing. The second priority is likely to be most relevant to younger tenants, who when provided with the right opportunities may be able to obtain stable employment (and income), and consequently exit to private housing; while the third priority is particularly relevant to older tenants and tenants with substantial health issues who may need to depend on social housing for a lifetime.

Future Directions is expected to transform the NSW social housing system through the introduction of three new programs, briefly described below (including implementation progress).

Land and Housing Corporation Future Directions Implementation (LAHC FDI)

Starting from 2016, this program involves engagement by government of the non-government and private sector to deliver up to 19,500 new and replacement social

[8] The extent to which Future Directions shortened the Housing Register could not be tested in our evaluation due to issues with the administrative data, but data from the Annual Statistical Report 2021-22 show that from 2016 to 2021 the number of people on the Housing Register (as reported on the 30th of June) decreased from nearly 60,000 to just below 50,000, but by June 2022 this had again increased to 57,500.

housing dwellings[9], 500 affordable housing dwellings and up to 40,000 private dwellings by 2026 through redevelopment of existing public housing sites throughout metropolitan Sydney and regional NSW. This represents a substantial expansion and redevelopment of social housing stock, via partnerships with private sector developers and finance. There are currently four program streams to develop this new housing. They include:

- **Major Projects** (Ivanhoe, Telopea, Waterloo, Riverwood, Redfern, Arncliffe and Villawood) – Large-scale projects on government-owned land, also known as Communities Plus. These projects are part of integrated housing developments working with the private, non-government and community housing sectors in Sydney and regional NSW. Through LAHC, and with assistance from the Department of Communities and Justice (DCJ), the NSW government aims to develop new and replacement social housing that is integrated with affordable and/or private housing. These sites will be supported by programs that link housing assistance to participation in education, training and local employment opportunities. The provision of services is an important component, as it aims to alleviate the pressure of increased demand for social housing, which is a function of high market rents and entrenched disadvantage where people may become intergenerationally dependent on social housing through lack of opportunity.
- **New Communities** (Airds-Bradbury, Claymore, Minto, Rosemeadow, Bonnyrigg, Riverwood North) – Existing social housing estates are reconfigured into mixed-ownership communities at these sites in south-western Sydney. Proceeds from the sale of new private lots and housing are being re-invested into new social housing, community facilities and high-quality open space. There will be CHP- and DCJ-managed social housing in New Communities projects.
- **Neighbourhood Projects** – Small- to medium-sized projects delivering more social housing mixed with affordable and "standard" private housing of between 20-250 dwellings per site in metropolitan Sydney and regional areas of NSW.
- **New Supply** projects – A program of redevelopment to deliver small-scale renewal of dated social housing dwellings using zoning uplift. Some properties are sold to fund the redevelopment of other well-located properties where a higher housing density can be achieved.

This program aims to contribute to all three strategic Future Directions priorities. By the end of June 2021 (the most recent information that is available to the evaluators), 2,513 new LAHC FDI Projects dwellings had been constructed and were service ready (of the 19,500 planned for LAHC FDI Projects by the end of 2026). Most dwellings delivered so far are New Supply; none of the dwellings delivered so far are part of a Major Project.

Social Housing Management Transfer (SHMT)

SHMT transfers significant tenancy management responsibility across entire specific areas to Community Housing Providers (CHPs): the management of approximately 14,000 public housing properties is transferred to local, registered not-for-profit

[9] Future Directions proposes to increase the supply of social housing by 23,000 dwellings across its three programs, LAHC FDI Projects, SAHF and the SHMT program. Subtracting the targets for these programs generates a target for LAHC FDI of 19,514 dwellings.

CHPs. The SHMT program aims to contribute to two of the three Future Directions strategic objectives of providing:

- more opportunities and support to avoid or leave social housing; and
- a better social housing experience through providing better tenancy management and support services.

Additional objectives of the SHMT program focus on changing the social housing system. Those objectives include, but are not limited to, improving the sustainability of the social housing system by harnessing additional CRA funds that were previously unavailable to the social housing sector; sustainably building the capacity and resources of the community housing sector; and bringing the creativity and innovative thinking of the community housing sector into the social housing system.

Over a period of just under one year (between 22 October 2018 and 2 September 2019), the management of public housing in a number of regions (see Map 1 below) was transferred to nine CHPs. Under SHMT the share of social housing managed by CHPs in NSW has increased from 19% up to 32%. The management transfer enables these CHPs to harness approximately $1 billion in Commonwealth Rental Assistance (CRA) over 20 years which they can re-invest in NSW social housing.[10] In addition, CHPs may provide an overall better social housing service to their tenants than government. According to AIHW (2022), NSW CHPs had an average tenant satisfaction rate of 74.5% compared to a rating of 65% for NSW public housing tenants in 2021. This is thought to be largely a feature of their capacity and capability to provide support services and undertake meaningful tenant engagement. It was anticipated that tenants (would) benefit from CHPs' connections with local service providers who provide wrap-around services for vulnerable clients, and from their links with other community organisations and employers. Support services and tenant engagement are further facilitated by the CHPs' access to additional income provided through CHP tenants' CRA eligibility. CHPs are expected to fund the management and delivery of additional services from these funds. How this additional income is used, is up to each CHP.

Social and Affordable Housing Fund (SAHF)

SAHF represents an innovative approach to the way DCJ is delivering social and affordable housing in NSW. SAHF consists of SAHF NSW, which is a ring-fenced entity, established in legislation by the Social and Affordable Housing NSW Fund Act 2016*;* and a commissioning team at DCJ tasked with procuring and managing contracts and agreements funded through SAHF NSW. The NSW government has invested over $1 billion in SAHF NSW, and through the NSW government's investment arm, NSW Treasury Corporation, returns are generated that are then used for NSW government contractual commitments to fund the supply of social housing. Two procurement processes have been conducted through SAHF awarding nine contracts to secure access to over 3,400 additional social and affordable dwellings: 2,200 additional social and affordable dwellings through SAHF 1 (completed in early 2017, securing five agreements) and more than 1,200 additional social and affordable dwellings through SAHF 2 (completed in January 2019,

[10] Other states have adopted similar approaches. Tasmania has transferred 4,000 properties to CHP management, representing 35% of all social housing in that state. The Tasmanian Audit Office found this resulted in a decrease in social housing maintenance costs to government of 46%. South Australia transferred the management of 5,000 properties to CHPs between 2015/16 and 2017/18.

securing four agreements). The first dwellings were delivered in 2017 and by the end of May 2023, 3,272 of the 3,486 additional social and affordable dwellings planned for SAHF by the end of 2024 (updated from the original 2,023) were delivered.

These SAHF contracts are outcomes-focussed services agreements for access to good quality accommodation, property and tenancy management, access to support tailored to individual resident's needs, and performance and data reporting. The change from direct government service delivery in favour of contracted services from a range of non-government providers is accompanied by contractual measures designed to make providers accountable against a range of performance indicators, backed by financial or contractual penalties where services fall short. Services are contracted for 25 years per dwelling.[11] Together with providing access to homes to those who need them most, SAHF provides tailored support coordination services (reflecting individual needs) to support tenants to build their capabilities and take advantage of opportunities to become more independent and improve their lives.

1.1.3. The Future Directions Service Improvement Initiatives

The Future Directions Strategy also includes five Service Improvement Initiatives (SIIs). These are a mix of new, existing, and expanded initiatives aimed at improving social housing clients' living experience as well as their education, training, employment opportunities and/or access to affordable, private housing. Future Directions SIIs are part of a holistic approach to breaking the cycle of disadvantage for social housing clients that also includes health, education, and employment support. The five SIIs are briefly described below.

Opportunity Pathways

This initiative aims to assist tenants to gain and retain employment through access to tailored training and work opportunities[12]. It was introduced in March 2019, provided by eight service providers across the 15 DCJ districts and brings together three previously separate programs—Personal Support Plan, Pathways to Jobs and Career Pathways.[13] The program's aim is to assist motivated social housing tenants, applicants, and clients to overcome barriers to education and employment, and to increase their economic participation through gaining, increasing, or retaining employment and facilitate positive exits from social housing (where appropriate). It was redesigned in July 2022, only operating in South Western Sydney (by Evolve Housing), New England (by Best Employment), Hunter Central Coast (by Wesley Mission) and Western NSW (by Housing Plus) from then on.

Rent Choice

Rent Choice is a suite of products delivered by DCJ to help vulnerable and low-moderate income people secure private rental tenancies through a subsidy to rent in the private market. The evaluation considers Rent Choice recipients between 1 July 2016 and 30 June 2021. This form of Private Rental Assistance (PRA) supports

[11] For more detail, see https://www.facs.nsw.gov.au/about/reforms/future-directions/initiatives/SAHF/overview.
[12] This program was preceded by Career Pathways, which was a similar time-limited program to help tenants set employment or training goals, and which provided tailored support to achieve these goals.
[13] The eight service providers were Best Employment for New England; Social Futures for Northern NSW; Wesley Mission for Mid North Coast, Hunter Central Coast and Illawarra Shoalhaven; Mission Australia for Southern NSW and Murrumbidgee; Housing Plus for Western NSW and Far West; Max Solutions Pty Ltd for Sydney, South Eastern Sydney and Northern Sydney; Settlement Services International for Western Sydney; and Evolve Housing for Nepean Blue Mountains and South Western Sydney.

households to access safe and affordable housing in the private rental market. It provides a time-limited private rental subsidy for up to three years (which is in addition to any CRA they may receive) and facilitates access to support services, including training and employment opportunities, to build capacity for living independently from rent subsidy or other housing support. There are five Rent Choice products, each targeted at a specific subpopulation. There is *Start Safely* for people escaping domestic and family violence, *Youth* for young people aged 16 to 24, *Assist* for low-income households who have experienced a financial shock, *Transition* for current social housing tenants and *Veterans* for former members of the permanent Australian Defence Force who were on active service during wartime (this requirement was removed in August 2020) and/or in an operational area. Start Safely and Youth are the two largest products, accounting for 79% and 14% of all subsidies taken up over the evaluation period. Start Safely, Youth and Veterans are available across NSW and also provide support to attain financial independence. Transition has been piloted in five DCJ districts: South Western Sydney, Western Sydney, Murrumbidgee, Hunter New England and Illawarra with eligible tenants in other districts considered on a case-by-case basis. Assist is trialled in South Eastern Sydney, Inner West, South West Sydney, Blacktown City Council area, Newcastle, Lake Macquarie and Maitland (and has recently been extended to Western Sydney and Nepean Blue Mountains).

Youth Development Scholarships (formerly Scholarships and Mentoring)

DCJ awards $1,000 scholarships to eligible students in Years 10, 11 and 12, or students who are doing a school-based apprenticeship or traineeship or VET program. The funding is used for educational and support related expenses. In addition, this funding was complemented for some with a mentoring component, where a trial of 30 hours of one-on-one mentoring was provided to a small cohort of students.[14] The aim is to improve secondary school completion rates and support post-school education. The current program started in 2017 and is available across NSW.

Place Plans

These evidence-based, place-based approaches were 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. They were provided between 2015 and 2019 by 16 project teams in 20 NSW social housing areas. Place Plans aimed to build opportunities, strengthen (social housing) communities, improve client outcomes and make communities more liveable, thereby breaking the cycle of disadvantage in social housing areas. Place Plans was not extended beyond its original funding allocation. Limited individual information was available which was of a qualitative nature restricting what evaluation was feasible.

Early Childhood Education Services

In 2020-2021, two providers, the Hive (in Mt Druitt) and Moree Family Support (in Moree), delivered innovative and sustainable approaches to improve access to quality early childhood education for social housing tenants. This SII consisted of two locally driven models to deliver affordable, accessible, and quality early childhood education to social housing tenants, with the aim of improving their children's

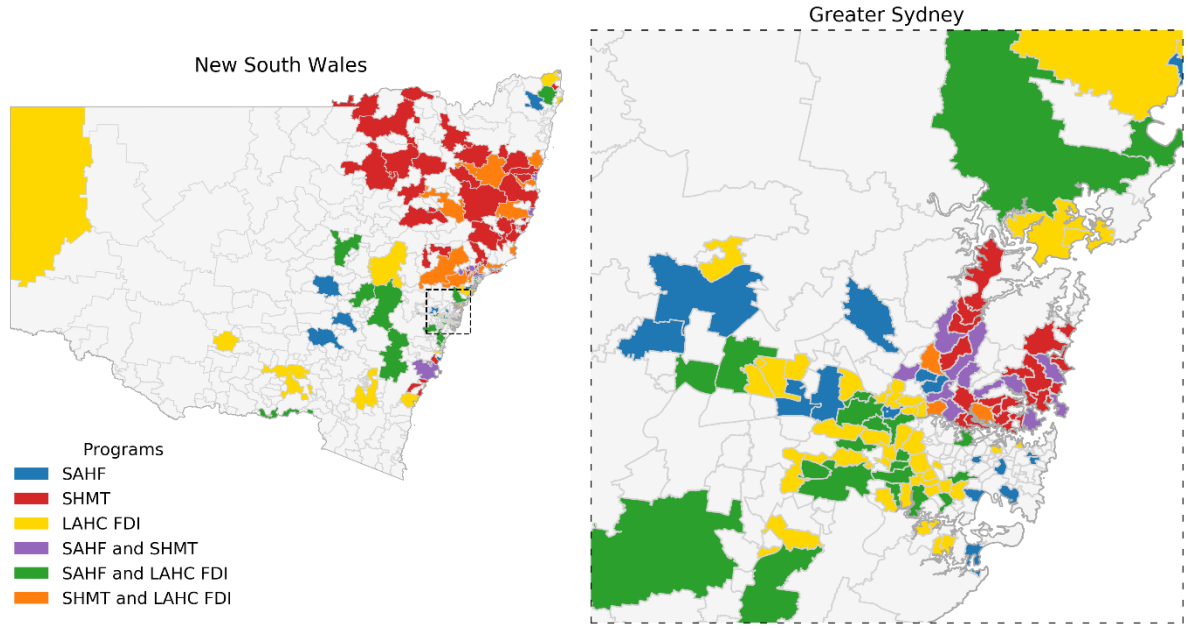
[14] The mentoring component was only provided in 2017-2018 and 2018-2019.

enrolment and attendance rates, especially in the year before transitioning to primary school. This initiative has now concluded, as funding was not extended beyond its original allocation. No individual data were available for children and families participating in ECES, so only a limited evaluation was possible.

1.1.4. Future Directions locations

Map 1 shows that the three Future Directions programs have been implemented mostly across the north-eastern parts of NSW, with relatively large concentrations north of Sydney. Appendix A provides a table summarising the locations of the five SIIs, with Rent Choice, Opportunity Pathways, and Youth Development Scholarships being available state-wide, while Place Plans and Early Childhood Education Services were/are available in a limited number of locations.[15]

Map 1 Location (and overlap) of SAHF, SHMT and LAHC FDI dwellings in New South Wales (as of 30 June 2021)



Source: Map produced by the Melbourne Institute Data and Analytics Team based on postcode-level information in HOMES and CHIMES data on dwellings in each of the three programs.

Notes: Information for postcodes with fewer than five dwellings is suppressed to comply with confidentiality regulations, leading to 176 dwellings (out of 17,728 observed dwellings) being excluded from the maps.

Future Directions is supported by the whole of government — including Health, Education, Communities and Justice, Planning and Environment, and Industry. It also links in with national policy, with the National Housing and Homelessness Agreement (NHHA) (which commenced on 1 July 2018) providing around $1.6 billion each year to states and territories with the aim to improve Australians' access to secure and affordable housing.

[15] Note that Opportunity Pathways is now also only available in four locations, as noted in Section 1.1.3 above.

Under the NHHA, to receive funding, state and territory governments are required to have publicly available housing and homelessness strategies and contribute to improved data collection and reporting. The Future Directions Strategy fulfills these requirements and addresses some of the NHHA housing priority policies, such as providing additional affordable and social housing, and encouraging growth and supporting the viability of the community housing sector. Future Directions also targets some of the priority homelessness cohorts mentioned in the NHHA, such as women and children affected by family and domestic violence, and older people.

1.2. Theory of change

Stable housing which meets certain current standards with regard to size, number of rooms and quality, fulfils the basic human need of adequate shelter and is seen as a basic necessity in household budgets. What is 'adequate' can be difficult to determine (and is subjective to some degree).[16] The lack of such stable housing is expected to adversely affect people's health and ability to hold employment, and children's/youth's ability to do well in education. Poorly-located housing (e.g. a long distance from employment, schools and health services, with poor public transport) can also adversely affect employment, education and health by making relevant services and facilities inaccessible for tenants. Improving the stability, quality and location of housing that is available to low-income households is therefore likely to have a positive impact on health, education and employment by improving the opportunities of these households in these domains. Achieving better education, health and employment outcomes can then increase the probability of exiting social housing and transition to the private rental market. Ideally, social housing is provided where and when needed while tenants are encouraged to exit where and when possible. The Future Directions Strategy (NSW Government, 2016) recognises that depending on circumstances, some tenants may need social housing for the rest of their lives (referred to as the "safety net group"), while for others living in social housing is a temporary situation until they have regained financial independence (referred to as the "opportunity group").

The Future Directions Program Logic identifies the following potential mechanisms of change (which are of varying importance to younger, working-age tenants versus senior, retired tenants and tenants with a disability):

a) improved tenant experiences as housing is better designed to meet clients' needs (through greater availability and greater diversity), with consequent positive impacts on well-being, health, social and economic outcomes;

b) better employment and education outcomes through better located social housing, which is most important to younger, working-age tenants;

c) greater rates of exit from social housing through better education and employment outcomes resulting from better access and greater support to young people in social housing; and

d) decreases in the number of people on the Housing Register through greater support in the private rental market.

A detailed program logic is provided in a table in Appendix B.

[16] The difficulty of this is illustrated in the reports by Saunders *et al.* (1998) and Saunders and Bedford (2017) who have made an effort to determine housing needs for different types of households in their Budget Standards research.

1.3. Tenant and SII participant populations at the time of evaluation

Most programs and initiatives had been underway for two to three years by the time of the data extract for this report (end of June 2021). By that time, all 14,000 SHMT dwellings had been transferred from DCJ to the respective CHPs, with all transfers occurring on the planned dates. SAHF had delivered 1,566 service-ready dwellings (or just under 2,200 out of 3,486 when including affordable homes as well) and LAHC FDI Project had delivered 2,513 dwellings (of the 19,500 planned for by the end of 2026).

By 1 June 2023, the number of dwellings delivered under SAHF had increased to 3,272 (of the 3,486 planned by the end of 2024). No updated information on the number of dwellings delivered by LAHC FDI were available to the evaluation team.

Between March 2019 and the end of June 2021, 5,264 people were referred to the Opportunity Pathways program, with 3,471 of those recruited as participants. Over five years (2017-2021), 2,264 students were awarded a scholarship, out of 4,614 applicants. The ECES initiative supported 210 children over its lifetime. The largest SII is Rent Choice with 15,230 applicants approved between July 2016 and end of June 2021, and 9,822 of those going on to receive a subsidy.

To describe the to-be-evaluated populations in the programs and participating in the initiatives, we present summary statistics on individual characteristics, tenancy and dwelling characteristics and circumstances at the start of the tenancy (or transfer date for existing SHMT tenants) for all social housing tenants, separately by Future Directions program, alongside other public and community housing. We describe the participants in the programs as of 30 June 2021, as well as their circumstances. We report information on SII participants to the extent that this is available, but this is less extensive and detailed than what is available for program participants.

The Future Directions Strategy is a collection of discrete programs and initiatives to address the challenges of providing social housing as discussed in Section 1.1.1. In comparing programs, we need to acknowledge that the three programs are implemented in different contexts and differ in various respects.

1.3.1. Program tenant populations

Program tenant characteristics

In this section we examine the individual, household, tenancy and property characteristics for tenant populations across the three programs. Table 1.1 allows an easy comparison of populations and assists in determining some key differences and similarities. Table C.1 in Appendix C provides additional detail.

We consider new tenants in LAHC FDI, SAHF and SHMT, as well as the SHMT tenants who were already living in the SHMT property at the time of transfer, i.e. existing tenants (with 44% living in the current property for at least 10 years). Only 22% of existing SHMT tenants had lived in the property for less than 2 years and a minority were new to their dwellings.

Seniors (aged 55 and over) are well-represented in all three programs, reflecting this group's higher need for social housing. The impact of targeting some of the LAHC FDI and SAHF dwellings specifically to this age group is clear, with 46% and 50% of LAHC FDI and SAHF tenants, respectively, aged over 55 compared to around 19%

of all other new social housing tenants. People aged 55 and over also account for 41% of existing SHMT tenants. This proportion is much lower for new SHMT tenants at 20%.

Similarly, there is some evidence of the impact of targeting SAHF and LAHC FDI housing to women, where 60% of SAHF tenants and 57% of LAHC FDI tenants are women, which is higher than for the other groups of tenants. Although women are not targeted in SHMT, women still form the majority among new SHMT tenants (53%), and among new public housing tenants (51%) and new community housing tenants (56%).

Table 1.1 Individual, household, tenancy characteristics at baseline by program

	LAHC FDI	SAHF	SHMT		Public Housing	Comm. Housing
			Existing Tenants	New Tenants	New Tenants	New Tenants
Individual level characteristics:						
Female	57.0%	60.2%	55.2%	52.8%	50.6%	55.9%
Aboriginal	10.7%	12.2%	21.1%	30.8%	23.9%	17.8%
Age 55+	46.4%	50.0%	41.3%	19.9%	18.9%	19.5%
Person has a disability[a]	46.9%	30.6%	na	na	na	na
English is main language	73.9%	87.0%	93.5%	95.6%	87.4%	91.8%
Individual weekly income ($)	356	322	463	339	441	375
Main source of income: Centrelink	92.7%	73%	89.7%	85.8%	89.8%	79.9%
Main source of income: Employment	4.7%	5%	8.5%	1.5%	4.9%	4.8%
Household/Tenancy characteristics:						
No. of people in the household	1.85	1.43	1.75	1.81	2.18	1.76
No. of children in the household	0.310	0.234	0.397	0.629	0.809	0.561
Household type:						
single man, w/o other tenants	24.8%	26.2%	35.4%	34.0%	31.1%	28.3%
single woman, w/o other tenants	32.4%	40.9%	43.3%	25.3%	22.2%	30.3%
single man, with children	1.3%	1.5%	0.8%	2.8%	2.80%	2.4%
single woman, with children	9.3%	12.5%	5.4%	21.2%	23.2%	19.6%
partnered man or woman, w/o children	15.4%	9.9%	5.0%	3.4%	3.3%	4.5%
partnered man or woman, with children	4.1%	1.8%	1.2%	3.3%	5.2%	3.5%
single man, with other tenants (no child)	2.6%	1.9%	2.2%	3.0%	2.6%	2.6%
single woman, with other tenants (no child)	10.4%	5.2%	6.6%	7.1%	9.5%	8.9%

Notes: a) The disability variable is not available for SHMT and other social housing tenants. Existing SHMT tenants often have long tenure with the consequence that the information on disability dates back a long time; i.e. to when they were on the Housing Register waiting to be allocated social housing. Furthermore, many SHMT existing tenants do not have housing register information at all as they commenced living in social housing prior to Housing Register information being available. Summary statistics for the overall public housing and community housing new tenant population were prepared to support the SHMT analyses, and therefore do not include a disability variable either.

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Larger differences are observed in the proportion of Aboriginal tenants, varying from 11% in LAHC FDI (around 350 individuals) to 21% in SHMT (nearly 4,000 individuals) for existing tenants and 31% among new SHMT tenants. Although SAHF has 12% Aboriginal tenants, this translates into less than 200 individuals (as it is a smaller program). Information on Aboriginality is missing for nearly a quarter of all

SAHF tenants.[17] Among new public and community housing tenants, 24% and 18% are Aboriginal. Overall, SAHF and LAHC FDI provide less housing to Aboriginal tenants than other social housing does.

Another striking difference between the three programs is in relation to whether English is the main language spoken at home. For nearly 94% of SHMT tenants (96% for new SHMT tenants) English is the main language, but for SAHF tenants it is 87% and for LAHC FDI tenants 74%. Due to missing values, the sample sizes for this question are much smaller than for other characteristics.

The targeting of SAHF and LAHC FDI to (older) single or couple tenants without children is also reflected in the household composition of tenants. Household size varies by program: it is 1.85 persons for LAHC FDI, 1.75 persons for existing SHMT households, 1.81 persons for new SHMT households, and smallest for SAHF households at 1.43 persons. In the three programs, the most prevalent household type is a single woman (32% for LAHC FDI, 41% for SAHF and 43% for existing SHMT households), except for new SHMT tenants who are most likely to be a single man (34%). Couple households without children are quite prevalent in LAHC FDI (15%) and SAHF (9.9%) but much less common in SHMT, and other public and community housing. Single parent households are much less common among SAHF or LAHC FDI tenants (14% and 11%) than among new SHMT tenants (24%) or among new public (26%) or community housing tenants (22%). The average number of children among LAHC FDI and SAHF households is also lower, at 0.31 and 0.23 respectively. New SHMT tenants and new public housing tenants include 0.63 and 0.81 children on average per household.

Gross weekly income varies considerably by program as well (from $322 for SAHF tenants to $463 for SHMT tenants), but this is likely related to household composition. As many social housing tenants depend on income support, the amount of income they receive depends on the number of adults and children in the household. Although employment rates are low among all tenants, employment is somewhat more likely to be the main income source for existing SHMT tenants (9%) compared to both LAHC FDI and SAHF (5%). This is possibly due to the larger proportion of tenants of retirement age in LAHC FDI and SAHF.

Program tenant circumstances at baseline

Table 1.2 reports property and tenancy characteristics at baseline, so that the environment experienced by tenants in each of the three programs can be compared.

One of the key differences between the programs is the age of the dwelling with SAHF and LAHC FDI dwellings being newly built or newly redeveloped, while a substantial proportion of SHMT dwellings are more than 40 years old (41%) and only 13% are less than 20 years old. This is likely to affect the quality of the dwelling and thus the tenant's experience of living in social housing. Both LAHC FDI and SAHF dwellings are more likely to be units (67% and 89% respectively) than a house/villa (33% and 12% respectively). The average number of bedrooms in these dwellings is largest for SHMT tenants at 2.13, slightly smaller for LAHC FDI at 1.89 and substantially smaller for SAHF at 1.69. The lower number of bedrooms for LAHC FDI

[17] With better linkage rates between administrative data sources, the proportion of missing information is expected to decrease.

and SAHF is likely related to the targeting to older (single) tenants in these two programs.

The LAHC FDI dwellings are located closer to nearly all services and amenities than the SHMT dwellings (only the distance to the closest high school seems similar for dwellings in the two programs) and closer than public housing dwellings (except for distance to schools and post office). This is at least partly due to SHMT dwellings being on average located in less densely populated regions than the other two programs, with a substantial proportion of SHMT dwellings located outside of greater Sydney. Like SHMT, public housing is located in both densely and less densely populated areas.

We do not have comparable information for the SAHF dwellings. However, we have information on the proportion of the population who commute by public transport for all three programs, which shows that SAHF is somewhere in between LAHC FDI (17%) and SHMT (11%). These findings are consistent with the aims of both SAHF and LAHC FDI to provide new social housing in well-located dwellings with good access to important amenities, like schools, health services, shops and transport.

Table 1.2 Property and tenancy characteristics at baseline by program

	LAHC FDI	SAHF	SHMT		Public Housing	Comm. Housing
			Existing Tenants	New Tenants		
Property characteristics						
Dwelling type=House	22.0%	8.0%	47.0%	45.2%	45.6%	34.3%
Dwelling type=Villa	11.0%	4.0%	9.6%	5.1%	6.2%	4.3%
Dwelling type=Unit	67.0%	89.0%	43.4%	48.2%	48.3%	56.5%
Number of Bedrooms	1.89	1.69	2.13	1.97	2.16	1.96
Age of building 40+			53.2%	57%	60.9%	33.2%
Dwelling's distance from nearest… (in metres)						
Primary School	946		1,216	1,223	985	1,118
High school	2,016		2,134	2,056	1,839	2,422
Hospital	4,220		11,590	15,963	4,854	12,843
Post office	1,208		1,322	1,363	1,204	1,250
Commercial Zone B2	2,137		4,617	5,498	2,414	5,379
Commercial Zone B3	5,194		6,788	8,167	8,707	32,967
Train or Light Rail Stop (m)	4,997		7,785	7,967	7,139	17,929
Aggregate statistics on dwelling location (postcode level), 2020 or latest available						
SEIFA index (deciles)	4.2	4.8	5.2	5.1	4.2	4.4
Unemployment rate (%)	7.6	6.9	6.6	6.5	7.8	7.3
Labour force participation rate (%)	60.8	62.3	61.3	61.3	61.2	60.8
Population share who finished Year 12 (%)	55.3	51.8	50.4	49.8	53.7	49.7
Total crimes per 100,000 persons	9,055	5,336	9,690	9,474	12,144	10,181
Drug related crimes per 100,000 persons	795	433	672	708	934	811
Domestic violence offences per 100,000	487	247	470	521	582	546
Population going to work by public transport (%)	17.3	12.0	10.9	10.0	15.9	11.7

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Comparing information about the location of the dwellings in the three programs, it appears that the SHMT regions are, on average, slightly more economically advantaged in terms of having a lower local unemployment rate (6.6%), and a higher SEIFA decile score (5.2). LAHC FDI regions are on average more disadvantaged with an unemployment rate of 7.6% and a SEIFA decile score of 4.2. SAHF regions do slightly better than LAHC FDI regions in terms of these aspects (but not as well as SHMT), with an unemployment rate of 6.9% and a SEIFA decile score of 4.8. SAHF regions seem to provide safer environments in terms of total crime rates, drug-related crime rates and domestic violence reports compared to both LAHC FDI and SHMT (respectively 5,336, 433 and 247 per 100,000 population for SAHF locations versus 9,055/9,690, 795/672 and 487/470 per 100,000 population for LAHC FDI/SHMT locations).

1.3.2. SII participant populations

Table 1.3 reports individual characteristics for participants in Opportunity Pathways, Youth Development Scholarships and Rent Choice where data were available (additional detail is in Appendix Table C.2) No individual information is available for ECES or for Place Plans, but Section 1.1.3 includes a brief description of the areas and the people targeted. The information on Rent Choice participant characteristics is limited.

Women form the majority of participants in Opportunity Pathways (61%). Although the program is available to people of any age, it is predominantly provided to people aged 16 to 25 years (making up 37% of all participants). A relatively large proportion (26%) of Opportunity Pathways participants are Aboriginal. About 28% reported having a disability.

Consistent with the aim of the program and eligibility rules aimed at targeting disadvantaged populations, income support receipt is high among Opportunity Pathways participants (86%). The majority of participants live in social housing or are on the waiting list for social housing (71%), but a substantial number are also living in private rental accommodation supported by Rent Choice (27%).

Participants in the Youth Development Scholarships are mostly 15 to 17 years of age, with very few participants over 20. A little more than half of all scholarship recipients were female (56%). Aboriginal students made up a relatively large proportion of participants (42%) consistent with this being a priority cohort. Approximately 12% of participants had a disability. Just over half of Youth Development Scholarships participants live in public housing, and 24% are on the social housing waiting list.

The vast majority of Rent Choice participants were women (92%), especially in Start Safely (98%) which had the most participants. Only 15% of Rent Choice participants are older than 45 years of age. This is in line with the majority of Rent Choice participants receiving Start Safely (79%) which is targeted at participants escaping family and domestic violence and Rent Choice Youth (17%) for which eligibility requires participants to be aged 16 to 24.

Table 1.3 Participant characteristics by initiative (in percentages of the total initiative population)

				Rent Choice:			
			Opportunity Pathways	Youth Development Scholarship	Start Safely	Youth	Assist	All (except Veterans)
Female			61	56.1	98.2	71.1	57.5	92.0
Aboriginal			26	42.0	13.6	26.7	8.0	
CALD			9	10.2	9.4	1.7	3.5	
Age OP:	*Age YDS:*	*Age RC:*						
16-25	Under 15	<25	37	0.6	25.4	100.0	14.9	37.3
26-35	15	25-44	24	25.7	58.2		45.0	48.1
36-45	16		21	35.1				
46-55	17	45+	13	28.7	16.4		40.0	14.7
Over 55	18		5	7.5				7.5
	19			1.5				1.5
	20			0.7				0.7
	Over 20			0.2				0.2
Disability			28	11.7				11.7
Receiving Income Support			86					
Housing Status at referral								
Housing Register			29	23.9				23.9
Public or Community Housing			42	51.4				51.4
Rent Choice/PRA			27	8.4				8.4
Unknown/other				5.8				5.8
Number of observations with linked data			2,742	2,223	7,713	1,621	402	9,777

Notes: Age categories vary by initiative, so each of the three initiatives has its own categories. OP stands for Opportunity Pathways, RC for Rent Choice, and YDS for Youth Development Scholarships.

Source: SII Final Report on Opportunity Pathways, Youth Development Scholarships, and Rent Choice (ARTD Consortium, 2023). Proportions are taken from descriptive tables in this report or calculated from raw numbers in tables and figures where needed.

1.4. This evaluation

1.4.1. Evaluation purpose

The main aim of the Strategy Evaluation is to identify the lessons from the Future Directions reform which is the largest social housing evaluation in Australia (to date). This report, together with the separate program and initiative reports, provides a seminal evidence base and practical advice for developing effective and cost-efficient housing policy into the future. Key questions to be answered are whether the Future Directions Strategy has been effective and cost-efficient, and whether some components are working better than others, evidence that components could be improved or evidence that specific combinations of a program and SIIs are particularly effective. An additional purpose of the evaluation is to assess policy impact determinants, including the use of evidence, in the development of the Future Directions Strategy from 2014 to late 2015.

1.4.2. Evaluation scope

This report details the findings of the implementation, outcome and economic components of the Strategy evaluation. The outcome and economic components focus on synthesising the findings from separate program and initiative evaluations

to highlight similarities and differences in impacts. Results for complementary analyses based on an evaluation of outcomes for relocated tenants are also presented as relocation is an essential step in preparation for implementing LAHC FDI, but is not an integral part of this program and therefore not included in the Program evaluation report. The results from the various analyses are used to inform a number of lessons and recommendations derived from the Strategy evaluation.

The Strategy evaluation scope is largely determined by the scope of the individual program and initiative evaluations.

For LAHC FDI this includes a stakeholder-focused implementation evaluation component exploring the implementation process of the delivery of mixed community dwellings from the perspective of councils, developers and designers (e.g. architects). The tenant-focused implementation evaluation component explores tenant perspectives about the implementation process, as well as the outcomes they have experienced for the approximately 2,500 dwellings that had been delivered by 30 June 2021. As a result, it is mostly tenants in the New Supply project dwellings who are included in the evaluation, and a few tenants in New Communities Airds-Bradbury, Bonnyrigg, Minto, Riverwood North and Lane Cove North.

For SAHF this includes the service-ready dwellings that have been delivered since 2017 up to 30 June 2021. All SAHF households in social housing and all ServiceCos are in scope for the implementation, outcome and economic evaluation.

For SHMT the evaluation considers all nine locations and all SHMT CHPs. The implementation evaluation primarily focuses on Tenancy Management Services, Property Management Services and Tenant Support Coordination Services. All services are included in the outcome and economic evaluation since it is impossible to disentangle the impact of this part of the SHMT services package from the overall package in these two evaluation components.

For all programs short-term outcomes of up to two years could be analysed, and for a few of the LAHC FDI tenant outcomes up to three years after their tenancy start date could be included as well.

For Rent Choice, successful applicants in the period from 1 July 2016 to 30 June 2021 were in scope for the outcome and economic evaluation, and implementation was considered over the same period. For 1,934 Rent Choice Start Safely recipients and 512 Rent Choice Youth recipients (who received their first subsidy payment prior to June 2019) one- and two-year outcomes could be assessed, and for 289 Rent Choice Assist recipients (who received their first subsidy payment prior to June 2020) one-year outcomes could be assessed.

For Opportunity Pathways, implementation, outcomes, and costs and benefits of the initiative are considered from commencement (1 March 2019) to 30 June 2021. The outcome and economic evaluations were conducted for the 2,742 participants who could be located in the linked data.

For the Youth Development Scholarships, the period from 1 July 2016 to 30 June 2021 is considered for implementation, outcome and economic evaluation. Up to 1,556 participants are included in the outcome and economic evaluation.

For the Early Childhood Education Services initiative, no individual administrative data were available so only a qualitative assessment of outcomes was feasible, and no economic evaluation was conducted. Information between July 2017 and June

2020 was used in combination with qualitative interviews held with families, service providers and DCJ staff.

For the Place Plans initiative, qualitative interviews and aggregate data at the estate level are used to inform the implementation and outcome evaluation; there was no economic evaluation. Only six estates (Redfern, Claymore, Wagga Wagga, Kempsey, Eden and Moree) are considered to have sufficiently established Place Plans (i.e., operating since 2015/16 to assess outcomes against comparison estates in the 2019 evaluation.

Supplementary analysis is carried out in this report to assess the impact of relocation on tenants.

Additional supplementary analysis that was planned as part of the Strategy Evaluation to contribute to a better understanding of the relative advantages and disadvantages of the different programs and initiatives by directly comparing tenant outcomes between the various programs was not feasible. The exact analyses were to have been determined by the results from the program and initiative evaluations and by the overlap in the populations making use of the different programs and initiatives. However, the sample size of dwellings delivered in the same allocation zone was not large enough to enable the matching of similar individuals assigned to different programs. [18] Similarly, the overlap between tenants in programs and participation in initiatives was too small for a comparison between tenants in a program who did participate in an initiative versus tenants in the same program who did not. The largest initiative, Rent Choice, was not often provided to social housing tenants, with Rent Choice Transition (targeted at social housing tenants) being at the pilot stage in five DCJ districts with small numbers of tenants having accessed this so far. [19]

1.4.3. Key considerations

Key considerations that have influenced our general evaluation approach include:

- an aim to use the most rigorous approach feasible;
- the need for timely feedback on implementation and effectiveness during the project;
- the need to establish alternative comparison groups to estimate the impact of different aspects of programs and the Strategy as a whole;
- the need to make allowance for a number of sensitivity analyses to ensure robustness of results;
- the need to distinguish heterogeneous impacts;
- the need to control for individual and location differences, especially when comparing impacts across programs in the Strategy evaluation. This will ensure valid comparisons are made across programs that may serve populations with different compositions (either due to the locations in which

[18] This was determined by the number of dwellings from different programs that are located in the same allocation zones and by the number of Future Directions tenants who have participated in one of the SIIs.

[19] The Place Plans SII to a large extent predates the start of the Programs for most tenants, and so there is no overlap there.

the programs have been introduced, or due to their focus on specific target populations — e.g. in the case of SAHF);

- a desire to determine the cumulative impact of exposure to one of the programs (which are mutually exclusive) and participation in one or more initiatives;
- a desire to determine whether particular programs work better for specific target populations than others; and
- a desire to define future policy directions based on the current evidence from the Future Directions Strategy.

1.4.4. Ethical approval

Ethical approval for this evaluation was obtained from the NSW Aboriginal Health & Medical Research Council (AH&MRC), Ref no. 1621/19; the Australian Institute of Health and Welfare (AIHW) Ethics Committee, Ref no. EO2020/3/1171; and NSW Population & Health Services Research Ethics Committee (PHSREC) Ref no. 2020/ETH00755.

1.4.5. Impact of COVID-19

The evaluation team have worked with DCJ to monitor and respond to changes brought about by COVID-19. In particular, we have been cognisant of any potential impacts of COVID-19 on participants in the implementation evaluation components, always aiming to ensure that data collection minimises burden on participants, is respectful of their needs and priorities, and does not in any way compromise their safety. COVID-19 had relatively minimal effects on methodology and on the availability of CHPs, service providers and tenants to participate. The main changes have been:

- identifying 'standard' program delivery to ensure we account for the impact of COVID-19;
- working with FACSIAR to include some additional questions on COVID-19 in the Housing Outcomes and Satisfaction survey, and taking COVID-19 into account when considering the timing of these surveys to ensure minimal burden on survey participants;[20]
- including some questions on COVID-19 in the qualitative data collection instruments with tenants;
- preparing to shift face-to-face qualitative data collection to phone interviews if needed; and
- submitting a "COVID Safe" strategy to the AH&MRC.

The quantitative approach in the outcome evaluation was already designed to ensure that comparison tenants are observed during the same time period as tenants in the three programs to avoid any confounding impacts from non-Future Directions differences in the tenants' environment. As a result, tenants in the three programs and their comparison tenants are affected by COVID to the same extent although CHPs and ServiceCos may have had fewer in-person contacts with tenants than they would have had without COVID-19. This may have resulted in a more

[20] However, the impact of COVID-19 is outside the scope of the evaluation project.

limited implementation of the Tenant Support Coordination component in SHMT and the Tailored Support Coordination Services component in SAHF than would otherwise have been the case. These components are an important part of how these programs are expected to provide a better social housing experience and more opportunities. The relatively limited implementation of these components during COVID-19 could therefore have led to lower impacts on outcomes relating to wellbeing and satisfaction with services during the evaluation period from March 2020 to June 2021.

2. Methodology

2.1. Overarching methodology

The Strategy evaluation assesses the impacts of the overall Future Directions Strategy on tenants, CHPs and the community. It seeks to answer the following questions:

1. Has the Future Directions Strategy achieved its objectives?
    a. What is the impact of the overarching Future Directions Strategy for clients?
    b. What is the impact of Future Directions for the communities in which the programs and initiatives are operating?
2. Which Future Directions programs and initiatives work well, for whom, and under which circumstances?

These questions are answered using implementation evaluation, outcome evaluation and benefit-cost analyses in the economic evaluation.

In addition, the approach to the Strategy development and implementation, and the sources feeding into this are investigated by:

(i) identifying and exploring determinants of Strategy development and implementation;

(ii) the use of input from tenants in the formation of the Strategy.

The methodology for the implementation, outcome and economic evaluations is outlined below.

2.2. Outcome evaluation methodology – Strategy

The aim of the outcome evaluation is to answer the following key evaluation questions by synthesising the results reported in the various Final Program and Initiatives Evaluation reports (as discussed in Section 2.2.1):

- Has the Future Directions Strategy achieved its objectives?
    - What is the impact of the overarching Future Directions Strategy for clients?
    - What is the impact of Future Directions for the communities in which the programs and initiatives are operating?
- Which Future Directions programs and initiatives work well, for whom, and under which circumstances?

For the latter question we also explored the feasibility of comparing outcomes across programs (as described in Section 2.2.2) and the possibility of assessing impacts of programs combined with initiatives as discussed in Section 2.2.3).

2.2.1. Synthesis of program and initiative evaluation results

The synthesis of outcome and economic evaluation results for the programs and initiatives compares findings for similar populations/target groups to determine

whether some programs work better for specific groups of clients, and whether some programs work better for all clients. In this component, we use the results obtained in the individual program and initiative Evaluations for as much of the analysis as is possible. Although this is the Final Report for this project, we acknowledge that the implementation of the Strategy is still in a relatively early phase (especially with regard to the housing component), with tenants having lived in their program dwelling for up to three years (up to two years for SHMT and SAHF). Furthermore, for the LAHC FDI projects, the stream of Major Project dwellings has not been delivered yet due to long planning and approval stages, with the construction phase possibly further delayed due to the COVID lockdowns and due to subsequent shortages in materials and workers. When interpreting the results achieved so far, this has to be taken into account.

In comparing programs we need to acknowledge that the three programs are implemented in different contexts and differ in some respects. LAHC FDI is about re-development and new development in well-located sites, while SHMT works with older, existing social housing (outside of prime sites) that may slowly be upgraded but to a large extent remains of the same standard as at the time of transfer within the current observation window. The key change expected for SHMT properties is the transfer of tenancy management from DCJ to CHPs and the additional funding made available to CHPs through the CRA. This CRA funding is expected to be used by CHPs to provide additional services, make some improvements to the housing stock, or add to the housing stock. As a result of these differences, expectations for the impact of LAHC FDI and SHMT should be different (as are the costs associated with them). Turning to SAHF, this program involves well-located dwellings which are new to social housing (and may be new developments or existing private housing turned into social housing), is managed by CHPs and has similarities to LAHC FDI. Although, generally speaking, SAHF is at a smaller scale (2 to 90 dwellings per site) than the LAHC FDI major sites or new community sites, at this relatively early stage in Future Directions the projects delivered through LAHC FDI so far have also been mostly on a smaller scale. One of the main differences between the two programs is the funding approach. Another difference is that SAHF is fully managed by CHPs and DCJ pays for the delivery of housing services (and does not own any of the properties) while LAHC FDI is partly managed by DCJ and partly by CHPs. In addition, SAHF CHPs have an outcome-focussed contract and they have to provide tailored support coordination as part of their contract.

In any comparison, the question is thus whether each program in its own context and current phase has resulted in the best possible outcomes for tenants and has achieved its objectives.

The program evaluations also examined impacts for specific subpopulations: tenants aged 55 or over versus tenants under 55; female versus male tenants, Aboriginal tenants versus non-Aboriginal tenants, CALD tenants versus non-CALD tenants, and tenants in regional areas versus tenants in major cities.

2.2.2. Direct comparison of program outcomes

One of the additional planned analyses proposed as part of the Strategy evaluation was a direct comparison of outcomes for tenants in the three programs where two (or three) programs operate in the same allocation zone. Table 2.1 shows the numbers of SHMT tenants, SAHF tenants and LAHC FDI tenants residing in the same allocation zone.

A direct comparison of SAHF and LAHC FDI would have been of particular interest for the economic evaluation of the SAHF program, as LAHC FDI can be viewed as an alternative (status-quo version) to SAHF for funding new social housing. Table 2.1 shows that there are a reasonable number of dwellings in "shared" regions: 2,056 LAHC FDI dwellings and 1,220 SAHF dwellings. However, for the matching methodology to work, we need tenants starting tenancies in these dwellings at around the same time (e.g. in the same half year), of sufficiently similar age and with a similar household composition. The success of the program evaluations is due to the large pool of comparison tenants from whom we were able to select people who were very similar to the program tenants. Testing the approach for LAHC FDI and SAHF, we found that the pool of comparison LAHC FDI tenants for SAHF tenants is often very small or non-existent, which means that we would have had to drop a relatively large number of SAHF tenants from the analysis or make poor matches. Thus, the planned comparison was not feasible.

Table 2.1 Number of dwellings that are in regions with more than one program, by program

	Regions as defined by Allocation Zone
Number of LAHC FDI dwellings that are in:	
a region in which SAHF also operates	2,056
a region in which SHMT also operates	1,899
Number of SAHF dwellings that are in:	
a region in which LAHC FDI also operates	1,220
a region in which SHMT also operates	1,193
Number of SHMT dwellings that are in:	
a region in which LAHC FDI also operates	10,008
a region in which SAHF also operates	10,008

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Although the overlap of SAHF and LAHC FDI dwellings with SHMT dwellings appears large, only a comparison with new SHMT tenants would be relevant, and the sample of new SHMT tenants is still small. In addition, new SHMT tenants all started their tenancy after October 2018 at the earliest, which means that we can only make direct comparisons to the new tenants in SAHF and LAHC FDI who entered after that time. In the program evaluation for LAHC FDI, it was noted that 249 LAHC FDI dwellings were part of the SHMT program as well (the management of the LAHC FDI dwelling was transferred to CHPs under SHMT). Again, this group is too small for a separate analysis.

Although the overlapping sample sizes were not large enough to allow the planned comparisons, the table can be used to provide an indication of the potential feasibility of such additional comparisons for future evaluations as the number of tenants in the programs continues to grow.

2.2.3. Cumulative program and initiative outcome evaluation

The Request for Tender emphasised the need to undertake a client pathways approach to allow identification of the overall impact of the combined programs. Based on observed overlap between the populations participating in one or more of the programs and one or more initiatives, additional analysis into the value of combining programs with specific initiatives was planned.

This would have involved assessing the interaction between the housing-oriented programs and the SIIs which were often directly aimed at achieving exits from social housing, and/or diverting entries into social housing by providing alternatives like Rent Choice.

We had planned to use the presence of some of the initiatives in a limited number of locations to assess the complementary impact of an initiative to a program.[21] Specifically, we had planned to compare locations where tenants in the relevant program have access to the initiative with similar tenants in the same program who do not have access to the initiative. However, due to the small number of observations with overlap this was not feasible.[22]

Rent Choice is the initiative with the largest number of participants. However, Rent Choice tends to be used to divert people from social housing rather than help tenants exit from social housing.[23] As a result there is very limited overlap between this initiative and the programs. Opportunity Pathways and Youth Development Scholarships had far fewer participants, and not all participants reside in social housing, again limiting the overlap between programs and initiatives.

These results highlight that if there is an interest in assessing cumulative impacts of combining programs and initiatives, then this should have been carefully planned to ensure sufficient numbers of program tenants have access to and participate in the initiatives of interest.

Similarly, although there is a group of tenants who have been transferred from LAHC FDI to SHMT, and who therefore have been exposed to two programs, this group is very small at 249 households. For many of the outcomes, an insufficient number of observations is likely once we have accounted for missing information on variables that are required for the analysis.

2.3. Outcome evaluation methodology – Relocation

Several LAHC FDI projects involve renewal or redevelopment of existing dwellings and sites. Where there are tenants in residence, (temporary) relocation is often required before the redevelopment process can start. Before the commencement of each development stage, current public housing tenants (in most cases) need to be moved to other dwellings within the estate while the redevelopment takes place and demolitions occur. They can also move elsewhere in the same allocation zone or to a different allocation zone if they so desire. This process is called “relocation” and we refer to this as such throughout this document. In some cases, suitable redeveloped dwellings are already completed and ready for occupation. In these cases, tenants can make a “permanent” move to the new dwelling rather than a temporary relocation. Former tenants who nominate to return to the site they have relocated from are prioritised for moving into the new social housing dwellings once they become available. However, a large proportion of tenants decide not to return to the site and are relocated “permanently”.

[21] Unlike the programs, none of the initiatives can be taken as randomly allocated to individuals or households.

[22] We did not consider Place Plans and ECES, because the Place Plans initiative was not continued beyond 2018, which means there is little to no overlap with tenants’ participation in the three programs; and the ECES was a relatively small initiative in two locations where no information on participants was available.

[23] The specific Rent Choice initiative for social housing tenants, Rent Choice Transition, only had 77 applications approved and 41 options activated.

In the evaluation, we are interested in all tenants who had to relocate (temporarily or permanently) because of impending redevelopment. The impact of these relocations is important to understand since Future Directions includes a number of large redevelopment projects, and as such is at the beginning of a long process of relocating residents before each of the redevelopments can start. Understanding who does well and in what circumstances can help improve the experience of residents who have to be relocated and minimise the disruption it can cause to a disadvantaged population. Understanding how the relocation process can be implemented with the least disruption to tenants' lives is important in its own right, and as a component of the overall Future Directions policy. Therefore, as part of the Strategy evaluation, we have undertaken an evaluation of a range of outcomes for tenants who had to be relocated before the redevelopments that are part of the Future Directions policy could commence. The evaluation of the relocation process aimed to answer the following questions in relation to the impact of the relocations during redevelopment:

1) What is the impact of relocation for tenants in terms of the outcomes of interest?
    - Did the relocation affect tenants' outcomes?
    - For whom did the relocation affect outcomes?
    - Why did the relocation have an effect for these tenants?
2) If relevant, what is the impact of large-scale relocations for communities receiving the relocated tenants?
    - Did it change the average characteristics of the receiving community?
    - Did it affect average outcomes at the community/ local area level of the receiving community?

However, we cannot answer question 2, given the relatively small number of relocations on which we have data within the evaluation timeframe from 2016 to 2021, and the geographical spread of these relocations. Due to the small sample size of relocated tenants we also cannot investigate impacts for subpopulations. In addition, we can only assess outcomes up to one year after the relocation, as most tenants for whom we have data relocated during 2019/2020.

2.3.1. Data sources

This evaluation draws on multiple sources of administrative records that have been linked together. These data sources were linked for all individuals who have applied for or have been residing in social housing since 2010, who constitute the `data linkage spine'.

This linkage spine is extracted from the Housing Operations Management and Extended Services (HOMES) system, which contains operational data about all social housing clients in NSW (tenants in public housing and applicants who have not been placed yet). This analysis is based on records as extracted on 30 June 2021 and provided to the evaluators by DCJ.

Relocations only occurred among public housing tenants; for this group, HOMES provides characteristics of the dwelling the client was placed in (such as market rent and number of bedrooms), client characteristics (such as age and gender) and housing outcomes (such as weekly rent paid).

These records are linked to data from the Tenant Relocation Tracking System (TRTS) which identifies all tenancies that had to be relocated for LAHC FDI, and reports when the relocation occurred. The evaluation then records the relocated tenants' outcomes (as well as those for an appropriate comparison group, see section 2.3.3 for details) over a wide range of domains both before and after the relocation.

Some of these outcomes are found in HOMES directly, while others were obtained by linking public housing clients' records in HOMES to other administrative records.

These linked records include the *Data Over Multiple Individuals Occurrences (DOMINO)* data for clients' use of Centrelink Services and benefit receipt; the *Client Information Management System (CIMS)* that records interactions with homelessness service providers in NSW; the *ChildStory/Key information and Directory System (KiDS)* for involvement with child protection services; the *NSW Bureau of Crime Statistics and Research's Reoffending Database (ROD)* that informs the evaluation on interactions with the justice system; the *Vocational Education and Training Provider Collection (VET PC) data* for enrolment in and completion of VET courses; administrative data provided by the Department of Education to assess student's schooling outcomes; a range of administrative datasets provided by the *NSW Department of Health* that show utilisation of health services such as hospitals, ambulances and services covered by Medicare; and a range of data sources for aggregate statistics on the postcode level to describe neighbourhood characteristics. More detail on the linked data sources is provided in Appendix D.1.

We were also able to draw on qualitative data from interviews with tenants who had been relocated into a LAHC FDI property.

2.3.2. Identification strategy for relocation evaluation

There are two parts to the analysis of relocated tenants' outcomes. In the first part (a comparison of raw means before and after relocation), we examine whether the relocated tenants' outcomes differ before and after the relocation. This approach has the advantage that no individual differences between relocated and non-relocated tenants need to be accounted for, because they are the same individuals, but at different points in time. However, to interpret all changes from before to after the relocation as caused by the relocation, we have to assume that the relocation was the *only* significant event that systematically affected relocated tenant's outcomes at that time.

Many relocations included in this analysis, occurred between 1 July 2019 and 30 June 2020, and those tenants' outcomes up to one year after relocation are hence observed between 1 July 2020 and 30 June 2021. This implies that there is indeed another major event that may have affected relocated public housing tenants around the time of their relocation, namely the COVID-19 pandemic. To account for any changes over time that would have occurred for relocated tenants even without relocation, we thus compare their change in outcomes before and after relocation to the change in outcomes before and after the same calendar date, for other public housing tenants who stayed in their homes (the comparison group). This difference-in-difference approach forms the second part of the outcome analysis for relocated tenants.

2.3.3. Design of treatment and comparison group for relocation evaluation

To identify relocated tenants (the treatment group), we use information from the TRTS. This provides us with information on the relocation process, in particular the relocation date. There are 663 tenancies recorded in the TRTS that experienced relocation. We match these tenancies to the corresponding records in HOMES to find the full record of information on affected individuals; this leaves us with information on 1,820 individuals in 606 distinct tenancies.

The exact date of the physical move is not available in the TRTS, but the data includes information on the old tenancy's end date, the new tenancy's start date, and the date when the tenants were notified of the relocation. However, there are missing values for all three dates, and we are able to identify a relocation date for 1,503 relocated tenants.[24] After applying a few further technical restrictions[25] we can examine the personal characteristics, dwelling characteristics and individual and household outcomes for 1,245 relocated tenants. The majority of them (959 tenants) were relocated from dwellings in allocation zone GW 12 (Campbelltown). The remaining 286 tenants resided in 19 different allocation zones prior to relocation.

We then select possible comparison tenants from other public housing tenants. There are a few reasons why the overall population of public housing tenants might differ from the population of relocated tenants, which implies that we have to make further restrictions on who can be selected as a comparison tenant. First, as the Major Project stream locations in LAHC FDI are chosen on purpose to be in the "best" areas and before redevelopment can commence tenants in these areas need to be relocated, relocated tenants are likely to have to move away from good locations. These locations may have affected their outcomes prior to relocation. Second, the dwellings chosen for redevelopment are older than the overall social housing stock. To the extent that there were changes in the type of dwelling that was added to the social housing stock over time, older dwellings might be used to accommodate different types of households than newer dwellings. For example, older dwellings might be larger or less likely to be suitable for tenants with disabilities, in which case the residents in dwellings chosen for redevelopment are likely younger and live in larger households than the overall population of public housing tenants.

It is important to account for this when choosing our comparison group. We only consider tenants who live in the same allocation zone, in a dwelling with the same number of bedrooms, and in a similar type of household as the relocated tenants. These restrictions leave us with 16,923 possible comparison tenants. For each relocated tenant, we then select from that pool those comparison tenants who were

[24] We identified the relocation date as the date when the old tenancy ended whenever possible; this information was available for 1,058 tenants. For another 24 tenants, we used the date when the new tenancy began. For a further 421 tenants, both tenancy end date and tenancy start date were missing, and we used the date of notification plus 194 days instead (194 days was the median duration between notification of relocation and tenancy end date for those tenants for whom both were available). A total of 317 tenants could not be used for the analysis because all three dates were missing in the TRTS.

[25] These technical restrictions are as follows. We remove tenants from the analysis who relocated multiple times, as well as tenants who resided in a dwelling that was part of SAHF or SHMT at any point during the window of observation (to avoid program overlap). We do not include tenants whose relocation date was after 1 July 2021 (the last date for which we know tenant outcomes in our administrative datasets). We also removed a small number of tenants whose allocation zone at the date of relocation was not recorded, or for whom the number of bedrooms in their dwelling was not known.

the most similar in terms of their outcomes one to two years *prior* to relocation.[26] The comparison tenants are assigned a weight that is larger the more similar they are to a relocated tenant and is smaller the more dissimilar they are. If their dissimilarity is too large, we do not use them as a comparison tenant for this relocated tenant. Non-relocated tenants can serve as comparison for multiple different relocated tenants. In the end, 10,776 individuals from the pool of possible comparison tenants, are included in the analysis; they are selected to be very similar to the relocated tenants except that they have not experienced relocation. At this stage, we have to remove a further 193 relocated individuals for whom no sufficiently similar comparison tenants were found. In the end, we use information on 1,052 relocated tenants and 10,776 comparison tenants. More details on the process of assessing similarity and assigning weights, are provided in Appendix D.2. Sociodemographic characteristics of relocated tenants and comparison tenants turn out to be virtually indistinguishable in terms of their age, gender, household structure and so on, after this process was applied (see Appendix D.3).

2.3.4. Outcomes included in the relocation evaluation

The following outlines the dwelling characteristics, outcomes of households and outcomes of individuals that we examined. These outcomes are broadly the same as those considered for the three program evaluations. The selection of individual outcome measures follows the NSW Human Services Outcomes Framework. The full list of outcome variables is included in Appendix D.1.

Home

In the Home domain, some outcomes are assessed only for relocated tenants, and they are assessed once for the vacated dwelling and once for the dwelling they relocated to. This includes age and type of the dwelling, as well as its distance from a range of amenities such as commercial zones, public transport and education facilities.

Other outcomes in this domain are tracked over time, both for relocated tenants and comparison tenants. These include the dwelling's market value compared to out-of-pocket cost to the tenant, and several indicators of homelessness and insecure housing the tenant may be exposed to.[27]

Social and community

In this domain, we look at the areas the dwellings are located in, and their characteristics. These outcomes are assessed only for relocated tenants, and they are assessed once for the vacated dwelling and once for the dwelling they relocated to. We look at economic activity and opportunities in the area (measured by unemployment, employment and labour force participation, as well as public transport coverage, education and socioeconomic disadvantage among the local

[26] Since there naturally is no relocation date for comparison tenants, they are assigned a "pseudo-relocation date": a focal date that can be used as reference point for the "before-after-comparison" and for determining their outcomes one to two years "prior to" a relocation they did not actually go through. These pseudo-relocation dates are constructed to have the same distribution as the actual relocation dates for relocated tenants.

[27] Note that some outcomes that were included in the program evaluations, are not included here: there is no analysis of receipt of CRA since all relocated tenants are public housing tenants, and there is no analysis of tenancy termination reasons and destination after exiting social housing, because by construction, all relocated tenancies end because of relocation and the tenants' next destination is other social housing. As a result, the difference-in-difference approach does not work, as everyone in the relocated tenant group exits before the relocation. Furthermore, first difference impacts cannot be easily interpreted because some relocations are temporary by design (e.g. while the tenant waits until their dwelling is renovated or until a redeveloped dwelling in their preferred location becomes available), while for other tenants the relocation is to their "permanent" next dwelling. Any analysis should be done for these groups separately, but this is not feasible given the already small number of relocated tenants.

population), the neighbourhood's safety (measured by overall crime, drug offences and domestic violence) and its housing market (measured by sales prices and market rents). All outcomes are measured at the postcode level.

Safety

We measure tenant safety using a range of indicators that show their interactions with child protection services (in the case of underage tenants) and with the justice system.

Economic outcomes

The impact of LAHC FDI on tenants' economic situation is assessed by evaluating tenants' income, main source of income, employment in the household and receipt of income support.

Education

There is a range of outcomes available for school-aged tenants in dwellings that were subject to relocation: whether they changed schools and whether they completed school. For relocated adult tenants, we also look at enrolment in and completion of vocational education and training courses.[28]

Health

In the domain health, we rely on a range of measures of health services utilisation: we examine tenants' hospital stays, visits to emergency rooms, use of ambulatory mental health services and MBS/PBS-services received.

In addition to the above outcomes, we had planned to consider the time needed to find an appropriate dwelling for the to-be-relocated tenant, but due to missing data on many of the date variables this was not feasible.

Timing of measures

Characteristics of dwellings the tenants vacated or moved to, as well as the characteristic of their neighbourhood, are reported at the date of relocation or the nearest available calendar date.

For outcomes that are tracked over time, we provide values before the relocation, and after. Outcomes before the relocation (or before the selected focal date for the comparison tenants) are measured during the 365 days immediately preceding the relocation date, or to values on 30 June prior to relocation. This depends on whether the outcome in question is measured as a snapshot on 30 June, or as daily information. Outcomes after relocation (or after the selected focal date for the comparison tenants) are reported for the 365 days after relocation, or for 30 June after relocation.

Most relocations to date occurred between 1 July 2020 and 30 June 2021. For those tenancies, we can analyse the new and vacated dwelling's characteristics and those of their surrounding neighbourhoods, but we cannot examine any of the outcomes that are tracked over time, as the relocation occurred less than 365 days before the end of the data observation window. This affects 55% of relocated tenancies. A further 34% of tenancies relocated between 1 July 2019 and 30 June 2020, and their

[28] In addition, information on absences and suspensions was available for school students in principle, but since most of the relocation occurred at the beginning of the COVID-19-pandemic, these are not a meaningful student outcome at that particular point in time, and we did not include them in the analysis for that reason. Likewise, NAPLAN scores are available in principle, but no NAPLAN tests were conducted in the school year relevant to most relocated tenants because of the COVID-19 pandemic.

outcomes can be analysed for at most one year after the relocation. For that reason, analysis of longer-term outcomes is not yet feasible.

2.4. Methodology for examining impact determinants of Strategy development and implementation

2.4.1. Aims

The aim of this component of the Strategy Evaluation is to explore if and how various known impact determinants featured in developing the Future Directions Strategy. It also aims to identify what factors influenced implementation of the Strategy within government and, in particular, within the department responsible for overseeing the reform, DCJ (then FACS).

2.4.2. Evaluation questions

1. What impact determinants were present in the Future Directions policy development process and how was evidence used to support policy development?
2. What influenced implementation of the Future Directions Strategy, both in terms of impact determinants and common themes in implementation for CHPs across major Future Directions programs?

2.4.3. Design

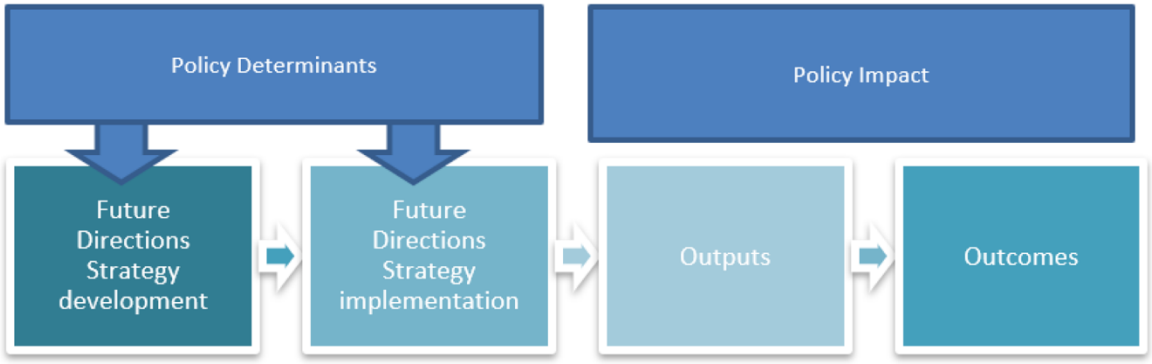
A mixed methods approach was used to identify impact determinants and to explore and describe the factors that influenced development and implementation of the Future Directions Strategy. The approach included collection and analysis of qualitative data using structured interview methods, supplemented by document review.

To complement this focus on policy determinants of Future Directions implementation, we describe common experiences in implementation experienced by CHPs across the three Future Directions programs – SHMT, SAHF and LAHC FDI. While these are different programs, implemented by CHPs contracted by different NSW agencies, a focus on common themes at the critical stage of early implementation will assist the NSW government in the implementation of social housing programs more broadly.

2.4.4. Conceptual models

This study of the determinants of the policymaking process is informed by the Analysis of Determinants of Policy Impact (ADEPT) model (Rütten *et al.*, 2012; Rütten *et al.*, 2011; Rütten *et al.*, 2000). The ADEPT model organises the policy process into policy development and policy impact. We have adapted this model to also clearly articulate the role of the policy implementation process in outcomes. The model is illustrated in Figure 2.1.

Figure 2.1 Conceptual model of policy determinants and impact (adapted from Rütten *et al.*, 2011)



The model identifies four policy determinants that are likely to influence policy development and implementation, and therefore the impact of the Future Directions policy:

- **Goals:** The formally specified objectives of policy actions.
- **Resources:** Internal capacities and enablers for accomplishing policy goals.
- **Obligations:** The sense of duty (political, professional or personal) to respond to a particular problem, sometimes in a particular way.
- **Opportunities:** Internal or external catalysts for change or action.

The model posits that when these determinants are present, policy impact is more likely. This evaluation explored the extent to which each of these determinants were present during the development and implementation of the Future Directions Strategy.

In addition, this evaluation brings a particular focus to the use of evidence in Future Directions Strategy design, because increasing and optimising the use of research evidence in policymaking has been widely recognised as important for improving outcomes for citizens, and informing decisions about funding and resource allocation (Banks, 2009; Langer, Tripney and Gough, 2016; United States Commission on Evidence-Based Policymaking, 2017).

2.4.5. Participants and sources

Interview participants for the policy determinants component were policymakers and project staff who were employed for a time by FACS/DCJ at the executive, manager or senior policy levels and who were closely involved in:

- development of the Future Directions Strategy between January 2014 (in the lead up to the release of the Social Housing in NSW Discussion paper) and January 2016 (when the Strategy was publicly announced); and/or
- implementation of the Future Directions Strategy across 2016 (when the Future Directions Office was established in the department) to December 2017 (when the office was disbanded) and up to one year following the transfer of responsibility to business as usual operations.

A sample size of N=15 was achieved through a purposive sampling recruitment process. During the course of participation, it was discovered that even though all

participants met the above inclusion criteria, some (n=3) did not have sufficient involvement in the policy development and/or implementation process to make a valid contribution to the evaluation. These interviews were terminated on mutual agreement, leaving a final sample size of N=12. We note while this sample size is small, data adequacy is satisfactory given the small pool of department staff involved in Future Directions with knowledge of strategy development and implementation (Vasileiou *et al.*, 2018).

Further, very few participants in the sample (n=2) were sufficiently involved in the process of evidence identification and application for the Future Directions Strategy. Even though intensive efforts were made to identify and recruit additional participants who could bring this unique perspective (e.g. extending the recruitment deadline, reviewing and revising the potential participant contact list with DCJ, contacting previous DCJ staff) we were ultimately unable to improve on this number. As a result, we decided to supplement these interviews with a document review of FACS/DCJ policy documents related to Future Directions to investigate the use of evidence in strategy development. The sources for document review were the flagship public policy document *Future Directions for Social Housing in NSW 2016* and 43 internal Future Directions policy development documents provided by DCJ (see Table 2.2).

Table 2.2 Documents provided to the evaluation team for review by title and year

Document name	Year
Longer Term Outcomes for Private Rental Assistance to Households	2008-2013
Social Housing Policy – Vulnerability and Personal Responsibility (Discussion Paper 1)	2013
A New Policy Approach to Social Housing – Communications Strategy	November 2013
Cabinet Minutes – NSW Social Housing Policy (6 documents)	June 2013
Evaluation of Start Safely Private Rental Subsidy for FACS-Housing NSW	2014
Social Housing Policy – Current and Future Housing vulnerability in NSW (Draft Discussion Paper 2)	2014
Evaluation of the Youth Subsidy Demonstration Project	2015
Client Transitions out of Social Housing and Re-entry (Presentation 1-2)	2015
Target Client Groups for Medium Term Private Rental Subsidy Product	2015
Social Housing Policy Steering Committee Papers on BCG Analysis (11 documents)	2015
Future Directions for Social Housing in NSW 2016	2016
Client Transitions out of Social Housing and Re-entry (Discussion Paper)	Unclear
Social Housing Policy – Market and Government Influence on Vulnerability (Discussion Paper 3)	Unclear
Levers and Opportunities for Social Housing Reform (Discussion Paper 4)	Unclear
Ways Forward: Options and Scenarios for Change (Discussion Paper 5)	Unclear
Developing a New Policy Approach to Social Housing in NSW – Reform Discussion Paper	Unclear
NSW Social Housing Policy – Reform Discussion Paper and Public Consultation	Unclear
ERC Submission Documents (10 documents)	Unclear

2.4.6. Data collection and analysis

Interviews with FACS/DCJ team members

All participants took part in a structured interview that explored the extent to which four known impact determinants (described in Section 2.4.4) influenced the development and design of the Future Directions Strategy, and the extent to which these determinants influenced the policy implementation. Using framework analysis based on the ADEPT model approach, data were coded to indicate whether each policy impact determinant was present, partially present or not present in the Strategy development and implementation process, and to discover common themes about how each determinant shaped strategy development and implementation. Interviews were conducted by Zoom or telephone, audio-recorded, and transcribed for analysis. Interviews lasted between 25 and 80 minutes.

Document review

All 44 documents included in the document review were reviewed for explicit (i.e. the claim or data used was referenced in the document) as well as implicit (i.e. the claim or data used was not referenced) evidence use. Where possible, multiple documents related to the same policy process were grouped and evidence used was shown as a collective.

Each document was reviewed by the evaluation team, and any mention of evidence was noted (for example, mention of the use of internal housing data), even if it was not referenced explicitly. The reference list or in-document references for each document were reviewed and references were categorised as being sourced from: peer-reviewed publications, technical monograph/book, grey literature/ internal studies and evaluations or authoritative reports. Definitions of sources of evidence were based on definitions from Makkar et al. (2016) in their development of the Staff Assessment of engagement with Evidence (SAGE) tool for evaluating how policy makers engage with and use research in policymaking.

Common experiences in implementation

Common experiences in implementation for CHPs across the three major programs of Future Directions are derived from a high-level synthesis of key implementation findings from the individual SHMT, SAHF and LAHC FDI program evaluations. Given the differences across programs, only findings relevant to all programs, and the early implementation of social housing policy in general, have been included here that may be useful in informing future reform. Findings are reported by the Consolidated Framework for Implementation Research (CFIR).[29] CFIR is comprised of five domains that reflect the context of implementing an initiative:

- Characteristics of the **initiative** (i.e. SHMT, SAHF or LAHC FDI)
- Implementation **processes** (i.e. the processes required to implement the initiative)
- Characteristics of **CHP staff** (i.e. the people involved in implementing the initiative)
- **Inner** setting (i.e. inside the CHP or ServiceCo itself and features of it)

[29] See https://cfirguide.org/

- **Outer** setting (i.e. outside the CHP and ServiceCo such as the broader social housing system and features of it).

Note while we report implementation domains and constructs for each of the three programs, this is not a comparison between the programs, but an effort to identify common implementation experiences of barriers and enablers that may prove useful in the implementation of future social housing reform in the future. For specific recommendations, please see the program evaluation reports.

2.4.7. Limitations

The following limitations should be kept in mind when interpreting analysis findings:

- Interviews to identify policy determinants were undertaken retrospectively, at least three years following establishment of the Future Directions Office and launch of the policy, and these were therefore reliant on the recall of participants who were still working in NSW government and available for interview.
- Documents for the analysis of evidence used in developing Future Directions policy were identified by DCJ rather than the evaluators. While this meant we were able to access internal working documents in the development of Future Directions policy, we are unable to comment on whether these documents were selected comprehensively or systematically.

2.5. Methodology for examining the use of tenant perspectives in Strategy development

2.5.1. Aims

This component of the Future Directions Strategy Evaluation explores if and how the needs, interests, and perspectives of social housing tenants were solicited and used in the development of the Future Directions Strategy. Integrating the views of the public into the development of public policy is widely recognised as best practice, internationally, within Australia and by the NSW government. Organisations such as the International Association of Public Participation (IAP2) and the Organization for Economic Cooperation and Development (OECD) argue that public participation results in better policy and more transparent decisions (IAP2, 2003, Rodrigo and Amo, 2006). These are views also upheld by the NSW government's own Information and Privacy Commission (Information and Privacy Commission NSW, 2018).

Given the central importance of public input into policy development, this section aims to:

- Identify the ways tenants were reported to have been engaged in developing the Strategy
- highlight the effects of their input.

2.5.2. Evaluation questions

This component of the Future Directions Strategy Evaluation answers the following questions:

1. How have tenants' perspectives, experiences, or interests been reflected in the design and implementation of the Future Directions Strategy?

b. When in the Strategy development process was the information gathered?

c. What methods were used to solicit information from tenants or prospective tenants to inform the Strategy?

d. What perspectives, experiences, and interests were borne in mind?

e. What changes to the Future Directions Strategy were made based on the information received from tenants or prospective tenants?

2.5.3. Data collection

In February 2020, the research team contacted 12 current and former DCJ staff who were referred by the FACSIAR/DCJ staff member coordinating the Future Directions evaluation at the time, as likely having some insight into where documentation might be about how tenants' perspectives were used to inform the Future Directions Strategy. The evaluation team sent each of these individuals a personalised email and a follow-up email one week later if they had not responded to the initial email. They were asked to provide publicly available documents and reports that included any explanations of when, how, and why tenants (public or community housing) were consulted or had the opportunity to provide input into the design of the Future Directions Strategy or its implementation. In November 2021, the research team approached the FACSIAR/DCJ staff member coordinating the Future Directions evaluation at the time to ask for contacts within DCJ that could be asked to send publicly available documentation about how community or public housing tenants' perspectives may have been used to inform the design and implementation of the Service Improvement Initiatives (SIIs) in particular.

By the end of February 2020, we had received 12 documents from the key informants, and in December 2021 we received a list of seven internal documents that the FACSIAR/DCJ staff member coordinating the Future Directions evaluation had collated from DCJ staff (see Table 2.3).

After initial analysis of the documents sent in the first round, a report outlining the main findings was drafted and sent to the key informants from DCJ and LAHC for their feedback on whether we had missed or mischaracterised anything in the report. Five DCJ/LAHC staff key informants provided written responses. Four people indicated the report was an accurate representation of the way in which tenant perspectives were used in the development of the Future Directions Strategy. One person indicated that information was missing; however, as no further documentation was provided in relation to this missing information this could not be integrated into the analysis.

In the second round, we were also provided access to a set of confidential documents from DCJ. These documents included cabinet submissions, business cases for different aspects of the policy, discussion papers, decisions papers, evaluations, ministerial briefing notes, committee meeting minutes, discussion notes, planning documents, policy development advice and documents, position papers, PowerPoint slides, speaking points, spreadsheets and strategy documents.

In August 2022, after analysis of the additional public and confidential documents, a revised version of the report was sent to the key informants from DCJ and LAHC. Informants who had indicated in the previous phase of feedback that they had limited or no relevant experience with the development of the Strategy were excluded. The

contacted informants were again asked to provide feedback on whether there was any missed or mischaracterised information in the report. Four responded to say they had nothing to add to the report. Four indicated that they agreed with the findings presented in the report. Of these, two provided additional documents, which had already been integrated into the report, or which were not relevant as they pertained to a phase outside of that which was being evaluated. Two of these informants also provided additional nuance to some of the findings, which has been integrated into the final report. One informant provided detailed feedback on the report, which has been addressed in this final version.[30]

Table 2.3 Initial documents analysed

Paper reviewed	Date of publication (Month-YY)
From the first round received by February 2020	
Social and Affordable Housing NSW Fund Act 2015, No 51	December 2018
Protections for Residents of Long Term Supported Group Accommodation in NSW: Report on Consultations	September 2018
Consultation Paper: Protections for Residents of Long Term Supported Group Accommodation in NSW	January 2018
Technical Issues Paper: Protections for Residents of Long Term Supported Group Accommodation in NSW	January 2018
Social and Affordable Housing Fund: Phase 2, NCOSS Positioning Paper	October 2016
Social and Affordable Housing NSW Fund Bill 2016: Bill Introduced on Motion by Ms Gladys Berejiklian, Read a First Time and Printed	September 2016
Future Directions for Social Housing in NSW	2016
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund	September 2015
What We Heard: A Summary of Feedback on the Social Housing in NSW Discussion Paper	May 2015
Thinking About the Future: Social Housing in NSW, Report from the Social Housing in NSW Forum	Unclear, but based on a forum from May 2015
Social Housing in NSW: A Discussion Paper for Input and Comment	November 2014
SAHF Readiness Program: Producing Social and Affordable Housing for and with Aboriginal People, NCOSS Position Paper	unclear
From the second round received in December 2021	
The Place Plan Program – Legacy Report: Improving the Lives of Disadvantaged Social Housing Residents	August 2020
Department of Communities and Justice (DCJ) Scholarships Exit Survey Data	2020
FACS Housing and Homelessness Strategy Steering Committee: Rent Choice Evaluation Update and Next Steps	February 2019
Final report: Evaluation of FACs' Scholarship and Pilot Mentoring Program for Students Living in Social Housing	January 2019
Overview of Opportunity Pathways Stakeholder Engagement – D18/1027674	July 2018
2017 FACS Scholarships Review: Outcomes of Feedback from Stakeholders Involved in the Delivery of the 2017 FACS Scholarship program	2017
Opportunity Pathways Integration - Evidence Summary	Unclear

[30] Nine informants did not provide feedback because they were either no longer in their roles at DCJ or LAHC, were on leave during the timeframe in which we were seeking feedback or did not reply.

2.5.4. Data analysis

We adopted a qualitative approach to explore and describe how policymakers engaged with and used input from direct beneficiaries in the development of the Future Directions Strategy. We first focused on identifying documents that illustrated how tenants' voices, interests and perspectives were reflected in the Future Directions Strategy programs (SHMT, SAHF and LAHC FDI) and the Service Improvement Initiatives (Opportunity Pathways, Place Plans, Rent Choice, Youth Development Scholarships, and Early Childhood Education Services). In the context of this analysis, tenant "interest" refers to broad statements in which the needs and wants of tenants are invoked but not supported by clear reference to how they were derived. Tenant "voice", on the other hand, is derived from surveys, interviews, consultations or other forums in which tenants have been able to directly communicate their perspectives.

The research team conducted a desktop review of publicly available and internal documents to identify how tenants' perspectives were used. One team member read the documents multiple times, identifying passages that referred to "tenants", "clients", "social housing tenants", "vulnerable people", and "those in need". The researcher coded each passage as "tenant perspective" or "tenant interest". Passages coded as "tenant perspective" had to specifically cite survey or consultation results, whereas passages coded as "tenant interest" took the form of broad statements about how the Strategy could or would help current and future social housing tenants.

Analysis of the 12 public documents provided by DCJ revealed six documents that had both references to tenant perspective/interest and were connected to the Future Directions Strategy, as outlined in Table 2.4.

A content analysis of the top six documents in the table was done to investigate the following aspects:

- When input was collected from tenants and where there appeared to be time gaps in data collection,
- How input was collected from tenants and the extent to which these methods of data collection were inclusive of all tenant voices,
- What aspects of tenant voice/perspective were used to justify each of the three programs and the SIIs, and
- Where tenant suggestions were included in Future Directions programs or SIIs.

A summary of each of these six documents is outlined in Table 2.5.

We also conducted a content analysis of internal and confidential documentation from DCJ to shed further light on the ways tenant voice or interest were used to justify elements of the programs or SIIs.

Table 2.4 Public documents provided by DCJ for review

Papers reviewed	Date of publication	Tenant perspective/ interest cited (y/n)	Connection to Future Directions Strategy (y/n)
Social Housing in NSW: A Discussion Paper for Input and Comment	November 2014	Yes	Yes
What We Heard: A Summary of Feedback on the Social Housing in NSW Discussion Paper	May 2015	Yes	Yes
Thinking About the Future: Social Housing in NSW, Report from the Social Housing in NSW Forum	May 2015	Yes	Yes
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund	September 2015	Yes	Yes
Social and Affordable Housing NSW Fund Bill 2016: Bill Introduced on Motion by Ms Gladys Berejiklian, Read a First Time and Printed[31]	September 2016	Yes	Yes
Future Directions for Social Housing in NSW	2016	Yes	Yes
Protections for Residents of Long Term Supported Group Accommodation in NSW: Report on Consultations	September 2018	Yes	No
Social and Affordable Housing NSW Fund Act 2015, No 51	December 2018	No	Yes
Social and Affordable Housing Fund: Phase 2, NCOSS Positioning Paper	October 2016	No	Yes
SAHF Readiness Program: Producing Social and Affordable Housing for and with Aboriginal People, NCOSS Position Paper	unclear	No	Yes
Consultation Paper: Protections for residents of long term supported group accommodation in NSW	January 2018	No	No
Technical Issues Paper: Protections for residents of long term supported group accommodation in NSW	January 2018	No	No

[31] Feedback from DCJ suggested that we should not use this document because the speech was "delivered after the SAHF was in implementation", however, the speech itself draws on anecdotes and stories from tenants collected prior to the SAHF implementation. Importantly, these anecdotes and stories provide important insight into how tenant voices were used as a strong rationale for the establishment and implementation of SAHF.

Table 2.5: Summary of documents chosen for analysis

Paper title	Summary
Social Housing in NSW: A Discussion Paper for Input and Comment (Nov 2014)	This discussion paper was one of the first public documents published that laid out the government's initial thoughts on why and how social housing in NSW should be changed. It provides a detailed overview of the social housing system as it existed at the time of publication (2014), it identifies key problems with that system and presents some initial ideas on how to address these problems in a new system. It also offers questions for consideration that formed the basis of a subsequent public consultation.
What We Heard: A Summary of Feedback on the Social Housing in NSW Discussion Paper (May 2015)	This report documents the key themes that emerged from a consultation with social housing tenants, advocacy groups, service delivery organisations, private sector and industry experts, relevant government agencies and the general public, done between November 2014 and February 2015. The consultation captured the responses of these stakeholders to a discussion paper called *Social Housing in NSW: A Discussion Paper for Input and Comment*, that proposed initial ideas about the characteristics of a new social housing system in NSW. This consultation drew on 900 submissions, 700 of which were from social housing tenants.
Thinking About the Future: Social Housing in NSW – Report from the Social Housing in NSW Forum (2015)	This report captures the feedback collected from 200 participants of a Discussion Forum that was held in May 2015. In addition to social housing tenants, the participants of the forum included representatives from finance, community housing, social enterprise, social welfare, disability, aged care/retirement living and property development. They addressed five questions: • What outcomes should social housing seek to achieve? • What measures or incentives should be available to transition tenants from social housing to affordable housing or the private rental market? • If additional government funding was not available to build more social and affordable housing, what options (financing and others) should be explored? • What funding models have worked in other industries that may be worth trying in social housing (e.g. health or corrective services)? • Looking at a whole-of-NSW-Government response, what else can we do to address supply and affordability?
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund (September 2015)	This report documents a consultation process that was led by the New South Wales Council of Social Services (NCOSS) and the Miller Group in 2015. It involved meetings across NSW with approximately 100 stakeholders representing the not-for-profit housing sector, government, private sector, housing scholars, and tenants ("consumers"). While this document focuses primarily on the financial structures and sustainability of SAHF, there is overlap in some design features between SAHF and SHMT and LAHC FDI, which allows us to analyse this document in relation to those two programs as well.
Social and Affordable Housing NSW Fund Bill 2016: Bill introduced on motion by Ms Gladys Berejiklian, read a first time and printed (September 2016)	This document is a transcript of a legislative hearing on the Social and Affordable Housing NSW Fund Bill. The transcript provides insights into the rationale for SAHF and its genesis, and includes stories and testimonials from tenants.
Future Directions for Social Housing in NSW (2016)	This flagship public policy document outlines the NSW government's vision for social housing for the decade ranging from 2016 to 2026. It provides an overview of the three strategic priorities underpinning the Strategy: more social housing; more opportunities, support and incentives to avoid/leave social housing; and a better social housing experience.

Part of our analysis involved looking at how tenant input contributed to changes to the Future Directions Strategy between 2014 and 2016.

This analysis involved the following process:

a) Identifying key themes that were raised in the document titled *Social Housing in NSW: A Discussion Paper for Input and Comment* (2014)

b) Examining how participants in the 2014-15 consultation processes responded to these themes, and then

c) Assessing the extent to which tenant responses changed how the themes were addressed in the document titled *Future Directions for Social Housing in NSW* (2016), a public document outlining key elements of the Future Directions Strategy.

2.5.5. Limitations

The following factors were limitations in our analysis of the use of tenant perspectives in the Future Directions Strategy development process:

- Our findings are based on analysis of written documentation – we have no insight into processes that may have occurred that were not recorded in these documents.
- In some documents, the way findings of consultations were presented made it challenging to identify which responses were made by tenants and which were made by other stakeholders. For example, the consultation processes underpinning both the *What we Heard* report and the *Thinking About the Future* report involved public group consultations in which tenants participated alongside many other stakeholders. The presentation of the results of these processes makes it challenging to delineate the specific recommendations that came from tenants independent of the influence of other stakeholders. While this is a standard approach to reporting on public consultations, it presents challenges for an evaluation seeking to specifically understand the input of tenants to the consultation process.
- We do not have documentation for all aspects of the Strategy development process. Key gaps that we found were related to the development of the SHMT and LAHC FDI programs, for which we could not locate any public or confidential documentation that reported on consultations, interviews or surveys with tenants about their perspectives on the development of these programs. Without these documents, we are limited in our ability to assess how tenant voice and interest were used to design these programs beyond the use of tenant voice and interest drawn from the consultations undertaken in 2014 and 2015.
- Documentation that we received related to the SIIs was primarily written after their implementation, which meant we were unable to comment on how consultation with tenants informed their design.
- The design of the evaluation meant that there were limits to some of the conclusions we could make about the integration of tenant voice in the design of the Future Directions Strategy. For example, there was a lack of documentation that outlined the Department's responses to input from tenant consultations (and the rationale for policy decisions made). Being limited to an analysis of documentation without the option of consulting directly with DCJ stakeholders involved in policy development led to limited insight into the decision-making process of the Department.

3. A synthesis of program and initiative evaluations

Key takeaways

Objective 1 – More social housing

Future Directions has provided more social housing, but slowly

- SAHF appears to be slightly ahead of schedule, with 3,272 dwellings delivered as of May 2023 (94% of the 3,486 dwellings planned to be delivered by end of 2024);
- LAHC FDI Projects is falling behind target, with 2,513 dwellings delivered as at 30 June 2021 (13% of the 19,500 to be delivered by end of 2026).

Objective 2 – a better social housing experience

SAHF and LAHC FDI substantially increased tenant satisfaction and improved outcomes

- SAHF and LAHC FDI dwellings have higher market rent, reflecting better quality and better-located dwellings ($380/week for SAHF versus $335 for comparable community housing; $423/week for LAHC FDI versus $370 for other social housing)
- SAHF and LAHC FDI dwellings are located close to amenities
    - LAHC FDI dwellings are in safer areas (less crime, fewer drug offences)
- Interviewed LAHC FDI and SAHF tenants reported improved social connections, mental health and wellbeing
- SAHF tenants appreciated the responsiveness of ServiceCo Staff and the provision of service coordination support
- SAHF tenants experienced:
    - reductions in court appearances and domestic violence offences (by 5 and 1 percentage point, respectively)
    - reduced risk of homelessness (1.8% versus 5.4% for other community housing tenants)
- LAHC FDI tenants experienced:
    - increases in the probability that at least one person in the household is employed (by 2-3 percentage points)
    - reduced risk of homelessness (by 1.5 percentage points)

Mixed results for SHMT (positive, negative and zero impacts)

- Surveyed SHMT tenants reported greater satisfaction with CHPs than public housing tenants' satisfaction with DCJ in relation to:
    - services provided and tenants' views being listened to (average scores 0.42-0.59 out of 5 higher than for public housing tenants)
- but interviewed tenants reported unhappiness with communication, responsiveness to maintenance requests and housing management generally
- SHMT tenants experienced improved housing security:
    - new and existing tenants were slightly less likely to use homelessness services (by 0.1 to 0.3 percentage points)
- Positive impacts on SHMT tenant life satisfaction (0.33 to 0.77 higher scores out of 10 than public housing tenants) were reported in 2020 tenant surveys but, despite similar satisfaction levels being maintained in the 2021 surveys, these were not significantly better than for public housing tenants in that year
- Difficulties SHMT tenants had in accessing CRA seem to persist and contribute to tenants' dissatisfaction (28% and 15% did not receive CRA at time of transfer and one year later, respectively)
- Health seems to have been negatively affected by SHMT
    - use of ambulatory mental health services increased (0.9 and 2.3 percentage points more than public housing tenants, for existing and new SHMT tenant respectively)
        - this may indicate improved access to preventive services, which would be a positive outcome, and could improve future health outcomes
    - increases were observed in the probability of being admitted to a hospital psychiatric unit, the number of emergency room visits and PBS scripts for existing SHMT tenants
- fewer negative impacts were observed for new SHMT tenants than existing tenants

SIIs successfully engaged with residents and local communities

- Opportunity Pathways increased employment, satisfaction with DCJ and participant wellbeing
    - 18% of Opportunity Pathways participants were off benefits after two years (better than the target of 13%)
- Place Plans reduced anti-social behaviour and crime rates in some locations (0.2 fewer warnings/quarter per 1000 tenancies, and a decrease from 316 to 211 criminal incidents per 1000 people, respectively)
- Early Childhood Education Services and Youth Development Scholarships enhanced tenants' social housing experience but did not lead to any quantifiable improvements in educational outcomes.

No substantial negative effects of relocations on tenants' outcomes

- Relocated tenants were on average relocated to more desirable neighbourhoods in terms of economic activity, socioeconomic advantage, and safety, but further away from amenities like schools, hospitals and shops

Objective 3 – More opportunities, support and incentives to avoid or leave social housing

Rent Choice potentially diverted 9,822 households from social housing, with CRA receipt indicating they remain in the private market

- Applications for housing assistance decreased considerably (24 percentage points).

Tenant-initiated exits decreased under SAHF and LAHC FDI Projects

- Tenant-initiated exits decreased by 2.4 and 1.1 percentage points, respectively

but increased for SHMT

- SHMT tenants were more likely to leave social housing (with tenant-initiated exits increasing by 1.5 and 4.8 percentage points for existing and new tenants):
    - positive exits increased for new SHMT tenants (1.6 percentage points) but decreased for existing SHMT tenants (0.3 percentage points) relative to public housing tenants

Mixed results for negative exits

    - negative exits (due to a tenancy breach) decreased under SAHF (0.9 percentage points)
    - were unaffected by LAHC FDI Projects
    - increased under SHMT (by 0.3 and 1.0 percentage point for existing and new SHMT tenants, respectively)
- Increased employment among LAHC FDI tenants and Opportunity Pathways participants could potentially increase positive exits in the future

Economic Evaluations

Social housing is expensive and takes time to deliver broader benefits

- SAHF generates a benefit-cost ratio (BCR) of 0.35 to society compared to the NSW government providing new public housing itself (each dollar expended produced 35 cents of benefits)
    - to the NSW government the BCR is 1.55 (as the Commonwealth, not state, government covers the costs of CRA)
- LAHC FDI Projects generate a BCR of 0.42 compared to LAHC provision of social housing in the 5 years prior to Future Directions
    - the BCR is 0.60 from the point of view of the NSW government

- SHMT generates BCRs of 0.04 from the point of view of society as a whole and 0.01 to the NSW government
    - The BCR for new SHMT tenants is 1.25 possibly due to their different characteristics and new SHMT tenants not experiencing the disruption associated with the management transfer.
    - SHMT may thus be (closer to being) cost-effective in the future (beyond the current 10-year timeframe of the CBA) when new tenants make up a larger share of all SHMT tenants

SIIs were cheaper and able to deliver results quickly

    - Rent Choice has a benefit to cost ratio of 0.9, where benefits include reduced use of social housing, and health and homelessness services
    - The BCR increases to 4.4 if the opportunity costs of social housing capital (to house those who would have been in social housing except for Rent Choice) are accounted for. Note that this is not a NSW Treasury (2017) compliant CBA, but is relevant if the ultimate aim is to provide as much social housing as required to house everyone who needs social housing
- Opportunity Pathways produces $1.40 of benefits for every dollar of expenditure
    - Benefits include additional earnings of participants, additional rent payments to NSW government, and reduced use of health and criminal justice services
- Youth Development Scholarships did not produce any monetisable benefits

Cost-benefit analysis has limitations

- Many benefits cannot be monetised (e.g. housing stability) or take time to materialise, particularly in the case of the larger Future Directions programs.
- The analysis does not consider social equity; a reform with a BCR of less than 1 may still be socially desirable.

For whom has the Future Directions Strategy worked

Vulnerable tenants, including CALD tenants, did well under SAHF

- No particular group experienced worse outcomes or fewer benefits under SAHF, possibly as a result of the additional tenant support (tailored service coordination)
- Greater employment impacts were experienced by younger tenants and Aboriginal tenants (who also tend to be younger).
- Greater safety improvements were experienced by younger tenants, Aboriginal tenants, CALD tenants and tenants in major cities.
- There were greater health benefits for female tenants, English-speaking tenants and tenants in rural areas.

But CALD tenants experienced fewer benefits under LAHC FDI Projects

- CALD tenants had smaller improvements in the risk of homelessness, employment outcomes, contacts with the justice system and emergency care.
- Positive employment effects were again concentrated among younger tenants, but also among Aboriginal tenants, English-speaking tenants and tenants not living with a disability.

… and difficulties under SHMT

- New CALD SHMT tenants experienced more adverse impacts than new English-speaking SHMT tenants, including less housing stability. Tenant interviews indicated that tenants from CALD backgrounds faced difficulties communicating with management and advocating for themselves.

However SHMT worked for new Aboriginal tenants

- For existing Aboriginal tenants more positive impacts on some outcomes seem to balance out more negative impacts on other outcomes, but overall they experienced benefits to the same extent as non-Aboriginal tenants.
- New Aboriginal tenants had greater improvements in housing security, safety and justice outcomes and greater increases in income support than non-Aboriginal tenants.
- There have been fewer benefits for new SHMT tenants in regional areas than in major cities, except new SHMT tenants being more likely to exit to private housing than in major cities, likely due to a less competitive private rental market.

Service Improvement Initiatives targeted vulnerable groups with largely positive results

- Rent Choice Youth achieved its target of improving housing outcomes for young people and Rent Choice Start Safely for women escaping domestic violence.
- Aboriginal applicants were less likely to be approved for Rent Choice but if approved achieved the same (positive) pattern of outcomes as non-Aboriginal participants.
- Aboriginal participants in Opportunity Pathways experienced smaller improvements in economic independence (reductions in income support benefits received by $146 per quarter versus $233 per quarter for non-Aboriginal people).

In this chapter, Section 3.1 synthesises the results reported in the various Final Evaluation Reports and examines the extent to which the Future Directions Strategy has achieved its objectives to date. Section 3.2 discusses how the impacts of Future Directions vary for subpopulations. Section 3.3 provides results from an additional analysis to assess the impact of relocation on the outcomes for tenants who had to move due to their social housing dwelling being redeveloped. Section 3.4 draws overall conclusions and presents a succinct visual overview of progress.

3.1. Has the Future Directions Strategy achieved its objectives?

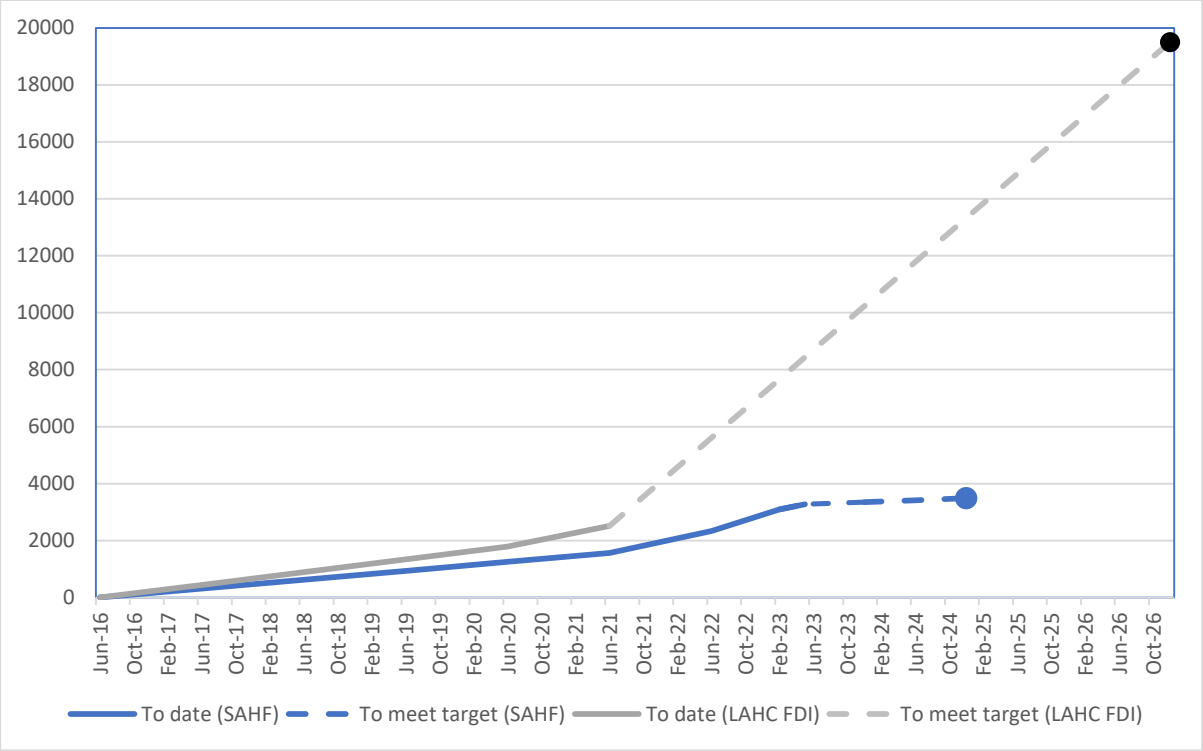
3.1.1. What is the impact of the overarching Future Directions Strategy on tenants?

We discuss the overarching findings from the synthesis of the various individual reports and the extent to which Future Directions met its objectives of more social housing; more opportunities, support and incentives to avoid and/or leave social housing; and a better social housing experience.

Future Directions has provided more social housing, but slowly

Future Directions is on its way to providing more social housing with SAHF being much more successful in meeting its target than LAHC FDI Projects. Both programs were still at a relatively early stage at the time of evaluation, particularly LAHC FDI Projects, but tenants are already benefitting from additions to the social housing stock. Figure 5.1 shows progress to date and the progress needed in future for the programs to meet their targets in terms of social housing stock.

Figure 5.1 Rate of construction of tenant-ready social housing dwellings and rates needed to meet targets (LAHC FDI and SAHF)



By the end of May 2023, 3,272 of the 3,486 additional social and affordable dwellings planned for SAHF by the end of 2024 had been delivered.[32] SAHF, with approximately 62% of planned dwellings service ready as of 30 June 2021 (1,566 of these were social housing dwellings with the remainder being affordable housing),

[32] The original end date was December 2023, so this is a slight delay, but the total number of dwellings is also slightly larger than originally planned.

was exceeding earlier projections of having around half of all dwellings service ready by that date. 94% of SAHF dwellings had been delivered by May 2023. Hence, SAHF is on track to meet its delivery timeline.

As of June 2021 (the most recent date for which information on LAHC FDI is available to the evaluators), 2,513 new LAHC FDI Projects dwellings had been constructed and were service ready of the planned 19,500 dwellings by the end of 2026.[33] Due to the usual long periods required for planning, approval and construction (further delayed due to the impact of COVID-19), the delivery of service ready dwellings is not expected to be linear over time, but rather have a slow start, and accelerate towards the end.

LAHC FDI projects produced 1,787 service-ready dwellings in the first four years of the program (July 2016 to June 2020) - a rate of 447 dwellings per year. Between July 2020 and June 2021 an additional 726 service-ready dwellings were supplied. To achieve LAHC FDI's target of 19,500 dwellings by the end of 2026, an additional 17,000 dwellings will need to be supplied at an average rate of 3,100 dwellings per year. LAHC FDI is hence falling behind target in terms of provision of dwellings.

A better social housing experience for SAHF and LAHC FDI tenants, but not yet for SHMT tenants

All three Future Directions programs – SAHF, LAHC FDI Projects and SHMT – aim to improve the social housing experience. SAHF and LAHC FDI Projects do this by providing new social housing designed to meet tenants' needs and in better locations, with better access to amenities and less exposure to anti-social behaviour. SAHF also provides Tailored Support Coordination to ensure tenants receive the services and support they need. SHMT aims to improve tenants' experience through the expanded capacity and capability of CHPs and the new management services they provide (effectively funded by CRA for which SHMT tenants are now eligible as community housing, as opposed to public housing, tenants).

SAHF and LAHC FDI Projects have substantially increased tenant satisfaction, improved housing stability and reduced the risk of homelessness.

SAHF tenants reported being satisfied with the design and quality of their dwelling – they are happy with the newness of their buildings, the general amenities available, the disability assist and safety features, and security staff, as well as the conduct of regular and responsive maintenance and repairs by ServiceCo staff. They also reported appreciating ServiceCo staff who are responsive to their needs and the provision of service coordination support. The provision of secure, well-designed housing further improves tenant welfare by reducing anxiety about housing and giving them a sense of control over their life.[34] The market rent for SAHF dwellings is higher than for other social housing dwellings in the same allocation zone ($41 per week higher than other community housing and $61 per week higher than public housing), consistent with higher-quality dwellings in better locations. SAHF tenants also experienced improved outcomes across the safety domain in the form of

[33] Future Directions proposes to increase the supply of social housing by 23,000 dwellings across its three programs, LAHC FDI Projects, SAHF and the SHMT program. Subtracting the targets for SAHF generates a target for LAHC FDI of 19,514 dwellings.

[34] This benefit cannot be monetised and needs to be kept in mind when comparing the costs of the program and the monetised benefits.

reduced court appearances (5 percentage points) and reported domestic violence offences (1 percentage point) despite living in areas with higher crime rates.

LAHC FDI Projects tenants similarly reported high levels of satisfaction with their new dwellings. Like SAHF, market rents for LAHC FDI dwellings are higher than for the dwellings of comparison tenants who were allocated to other social housing or who had to spend an additional year on the waiting list ($52 to $64 per week in years 1 to 3 after tenancy commencement). Also, in the case of LAHC FDI but not for SAHF, the dwellings are located in more desirable areas in terms of safety – with less crime and fewer drug offences – which further contributes to tenant wellbeing, although there were limited impacts on outcomes in the safety domain at an individual level. The location of LAHC FDI dwellings, with their better access to amenities, may also have contributed to the improved employment outcomes experienced by many families (a 2-3 percentage point increase in the probability that at least one person in the household is employed).

The quality of the social housing experience is also reflected in tenants' housing stability. Tenancy stability improved under both SAHF and LAHC FDI Projects. SAHF and LAHC FDI reduced the (small) risk of homelessness within the first 12 months of the tenancy (a reduction by 3.6 percentage points for SAHF tenants relative to those in other community housing; and a decrease by 1.5 percentage points for LAHC FDI tenants relative to other public and community housing tenants). The reduction in tenant-initiated exits observed in the data (and discussed in detail below) is further evidence in support of higher tenant satisfaction.

Tenants in SAHF and LAHC FDI dwellings reported that their social housing experience was enhanced as a result of the services and support of their housing provider. The improvements they reported included better social connections and improved mental health and wellbeing.

One of the managers, she arranges with every resident a goals and aims plan, which has always been a nightmare for me because I virtually never had them. And there's a little place here for a garden and that was actually my aim, was to get that going and I finally have got the garden going. So they don't just leave you here, this is where you're living now, goodbye. They stay really connected. (Tenant interview, SAHF)

It's been quite a significant improvement in our mental health. Because of the less stress and it's also knowing that it's a Department housing that I won't be asked to move out with short notice. All those kinds of things which really provide you peace of mind. (Tenant interview, LAHC)

SHMT has had mixed effects on the social housing experience to date.

SHMT tenants report being more satisfied with the services provided and how CHPs listen to tenants' views than public housing tenants are with DCJ – average scores are 3.7-3.9 (out of 5) in 2020 and 2021, which is 0.4-0.6 higher than for public housing tenants. Qualitative interviews with 60 SHMT tenants suggest however that several tenants are unhappy with the level of communication, responsiveness to

requests for maintenance or repairs and housing management generally.[35] CHPs had little control over maintenance as maintenance contracts remained with LAHC until 30 June 2021 so satisfaction with maintenance may improve in the future. The overlap of maintenance contracts into the period beyond the management transfer seems not to have worked well and is something to avoid in future management transfers. SHMT tenants reported higher levels of life satisfaction in 2020 (in tenant surveys) but although satisfaction levels remain similar for SHMT tenants in the 2021 surveys, they are no longer higher than for public housing tenants.

Major dwelling upgrades are not a component of SHMT. Therefore, perhaps unsurprisingly, SHMT tenants express less satisfaction with their dwellings than SAHF and LAHC FDI tenants did, describing them as being run down, in need of maintenance and, in some cases, not accommodating their disability. Several interviewed tenants reported having felt unsafe, due to anti-social behaviour of neighbours when their CHP manager did not respond to their concerns about conflict with other tenants or other safety concerns in a timely way. However, when tenants perceive that CHPs are proactive about monitoring for safety and acting on issues that jeopardise safety, they report an increased feeling of safety.

Overall, the impacts of SHMT are often different for existing and new tenants, with better outcomes for new tenants. Unlike existing tenants (who were living in the SHMT dwelling at the time of the management transfer), new tenants did not experience the disruption caused by the transfer.

Health outcomes of SHMT tenants appear to be negatively affected for existing SHMT tenants only, increases were found in the probability of being admitted to a psychiatric unit in a hospital, in the number of emergency room visits and PBS scripts for existing SHMT tenants. Use of ambulatory mental health services increased for both existing and new SHMT tenants (0.9 and 2.3 percentage points more than public housing tenants, respectively). Increases in the use of preventive health services (like ambulatory mental health services) could indicate better access to these services and may lead to positive impacts on health in the longer term. Some tenants reported that difficulties accessing CRA resulted in them being in arrears on their rent and contributed to their mental load.[36] New SHMT tenants spent, on average, two days less in adult custody than new public housing tenants.

Overall, housing security for SHMT tenants, both new and existing, is about the same or slightly better than for public housing tenants. They are less likely to use homelessness services than public housing tenants, and new SHMT tenants are also 3 percentage points less likely to be at risk of homelessness.

Service Improvement Initiatives successfully engaged with residents and local communities to contribute to a better social housing experience.

Place Plans reduced anti-social behaviour and crime rates in some locations (0.2 fewer warnings/quarter per 1000 tenancies; and a decline from 316 to 211 criminal incidents per 1000 people, respectively). Tenants who participated in Opportunity

[35] However, we have no comparison for these interviews and therefore do not know whether satisfaction is worse (or better) than satisfaction with DCJ among public housing tenants. Interviewed tenants were selected from three of the nine SHMT packages.

[36] Although tenant applications for CRA were a known potential issue prior to the transfer, with resources being directed at facilitating CRA access and CHPs putting in place rent relief measures and payment plans while issues were sorted out with Centrelink, some SHMT tenants nevertheless remained confused and experienced financial stress as a result of this element of the program.

Pathways gained access to employment opportunities (60% of Opportunity Pathways participants were working 20 or more hours per week) and reliance on income support decreased (18% of Opportunity Pathways participants were off income support benefits after two years, compared to the expected 13%). There was some evidence of increases in satisfaction with DCJ and personal wellbeing. Participants also experienced a reduction in court finalisations (12%).

Early Childhood Education Services supported 210 children into early childhood education and the Youth Development Scholarships awarded 2,264 scholarships between 2017 and 2021, of which 926 went to young people living in public housing and 216 to those in community housing enhancing the social housing experience for these tenants.[37] Interviewed families expressed the view that without the support of ECES, their children could not have accessed early childhood education. Youth Development Scholarships stakeholders were generally positive about the scholarships initiative and viewed the program as having a positive impact on young people whose families were experiencing hardship. The quantitative analysis, however, found no statistically significant impacts of the Youth Development Scholarships on educational or health outcomes which may be due to the relatively small size of the $1,000 scholarships and/or the absence of other support after the mentoring component was removed from the Scholarship initiative. For ECES there was no data available.

More opportunities, support and incentives to avoid and/or leave social housing?

Future Directions aims to assist social housing tenants, and others in precarious housing situations, gain the skills and means to either avoid entry to social housing or to leave social housing. SAHF and LAHC FDI Projects aim to do this via providing housing in areas with greater access to employment and other services. SAHF's tailored support coordination services are also designed to link tenants to service providers who can assist tenants in obtaining skills and employment (among other things). SHMT could result in more social housing exits through CHPs improving services to tenants and providing better support to tenants who are ready to exit social housing.

Improving the social housing experience is however a double-edged sword in relation to incentivising tenants to leave social housing. If tenants are happier living in social housing they may be less likely to leave. This can be countered if Future Directions increases the self-sufficiency of tenants (their employment prospects and income) to the extent that tenants become confident in their ability to afford private rental accommodation over the longer term, while at the same time the rent charged for the social housing dwelling increases due to the increase in income. Low vacancy rates in the private rental market and barriers to access for certain cohorts however increase the difficulty of tenants exiting social housing.

Many of the Future Directions SIIs also contribute to the aim of increasing positive exits from social housing. Rent Choice also aims to avert entry to social housing by providing a time-limited private rental subsidy for up to three years and facilitating access to training and employment support services. The Scholarships initiative assists young people in social housing, out of home care, or transitional, crisis or supported accommodation with their education costs. This is aimed at enabling their continued acquisition of skills which increases their employability, thus reducing their

[37] A further 531 scholarships were awarded to young people who were on the Housing Register.

likelihood of having to depend on social housing in the future. Opportunity Pathways supports people who live in social housing, receive a rent choice subsidy or are an approved social housing applicant to participate in education and employment and access wrap-around services and so work towards housing independence. Place Plans programs varied across the participating housing estates as they were developed collaboratively with the local community (residents, local service providers etc.). Several sought to provide access to employment and skills pathways, with others assisting tenants to access legal, financial and health services which could also be effective in increasing tenants' economic independence.[38]

SAHF and LAHC FDI Projects have reduced exits from social housing

It is too early to definitively assess the extent to which most of the programs and initiatives are succeeding in reducing demand for social housing. Future Directions aims to increase positive exits from social housing. These are tenant-initiated exits to the private rental market and hence reflect an improvement in the economic independence of tenants and contribute to a reduction in waiting lists for social housing. The evaluations over the short-term to date find that positive exits to private market housing decreased under both SAHF and LAHC FDI, by 2.4 and 1.1 percentage points respectively. Reducing negative exits is not an explicit target of Future Directions as they reflect tenancy breaches. An increase in negative exits could reflect more anti-social behaviour or lower tolerance of such behaviour. Negative exits (due to a tenancy breach) decreased under SAHF by 0.9 percentage points and were unaffected for LAHC FDI tenants. Consequently, SAHF tenants are 4 percentage points, and LAHC FDI tenants 3 percentage points, less likely to exit social housing than other community housing/social housing tenants. This is a large reduction in exits, by over 25%.

The increased satisfaction with dwellings under SAHF and LAHC FDI, discussed above, likely plays a role in the reduction in the probability that tenants will seek to move into the private rental market. Further, the targeting of SAHF and LAHC FDI Projects dwellings to older tenants reduces the probability of tenants exiting as older tenants are less likely to benefit from education, training and employment initiatives and less likely to be able to afford private market accommodation. In addition, the pricing and security of social housing alongside the increasing tightness of the private rental market and lack of security for private market tenants makes exiting social housing a risk many tenants are unlikely to take. It thus appears unlikely that these programs will reduce social housing demand.

Increased employment among LAHC FDI tenants may increase positive exits in the future, but not yet.

Large increases were, however, observed in the likelihood of at least one household member in LAHC FDI households being employed. Younger tenants (those aged under 55 years) were also more likely to be employed and less likely to receive income support than other social housing tenants under both LAHC FDI and SAHF (although any increases in income were relatively small). A longer time period is

[38] Individuals may be eligible for more than one SII, e.g. Rent Choice, Opportunity Pathways and Youth Development Scholarships, although in practice few individuals seem to have participated in more than one initiative. Similarly, few program tenants participated in one of the initiatives, so there are limited opportunities to assess the cumulative impact of programs and initiatives.

needed to assess whether in the longer-term younger tenants become sufficiently economically active and secure to allow them to seek private housing.

SHMT tenants were more likely to leave social housing, but only new SHMT tenants experienced an increase in positive exits, and negative exits increased for new and existing tenants.

SHMT tenants who were residing in the SHMT dwelling at the time of the management transfer (existing tenants) were less likely to have had a positive tenancy exit, by 0.3 percentage points relative to existing public housing tenants. In contrast to SAHF and LAHC FDI, new SHMT tenants were however more likely to have had a positive exit, by 1.6 percentage points, and both existing and new SHMT tenants were more likely than public housing tenants to have a negative exit (0.3 and 1 percentage point, respectively). The use of homelessness services and (risk of) homelessness are not affected, but there is also no evidence of SHMT improving economic outcomes.[39] Overall, existing and new SHMT tenants were less likely to remain in social housing than public housing tenants (by 7.3 and 5.6 percentage points, respectively).

In interviews, the vast majority of the 60 tenants, however, indicated that (despite their dissatisfaction with their dwelling) they intended to stay long term in their current housing. This was mainly due to not being in a financial position to seek private rental accommodation but a small number of tenants also reported positive reasons such as the connection to their local community and liking their accommodation.

Rent Choice successfully diverted people from entering social housing.

In terms of the SIIs, Rent Choice made the most marked contribution to this Future Directions aim. Rent Choice potentially diverted 9,822 households (who were approved and went on to receive a Rent Choice subsidy) into the private rental market and away from social housing. Moderately large decreases in entries to social housing were identified. Over two years, Rent Choice Start Safely reduced entry to public housing by 15 percentage points and to community housing by 8 percentage points for its recipients relative to the comparison group. Rent Choice Youth reduced the probabilities of entry by 9 and 5 percentage points (for public housing and community housing respectively).[40] Large increases in CRA payments ($1,151 compared to $119 in the comparison group) suggest participants had maintained private rental accommodation.

Both Rent Choice Start Safely recipients and Rent Choice Youth recipients present to Specialist Homelessness Services at a lower rate (9 percentage points less than the comparison group) and are less likely to apply for housing assistance than their comparison groups (by 24 percentage points). Both Rent Choice Start Safely and Rent Choice Youth were found to improve housing stability in the short term (the two years for which data were available). Both programs also increased receipt of income support payments, possibly reflecting that once in secure, safe housing, individuals were better placed to apply for and access the income support they need.

[39] Results for employment, individual gross weekly income and the main source of income suggest an increase in employment, but these variables have many missing values and irregularities, particularly for SHMT tenants, and are not deemed sufficiently reliable.

[40] Only Rent Choice Start Safely and Rent Choice Youth had a sufficiently large number of participants to be rigorously evaluated using the linked administrative data.

Start Safely was also associated with small improvements in the justice domain, further suggesting that this initiative helps people get their life back on track.

None of the SIIs had an impact on social housing exits

Place Plans were found to have had no impact on the probability of both positive and negative exits from social housing and economic impacts were small to non-existent. They were found to generate a very small increase in employment when comparing the increase in the percentage of tenants who had wages as the main source of income in established Place Plan estates with matched estates without a Place Plan although the actual rates in Place Plan estates remained lower than in matched estates. However, there was no change in the probability of household heads being a wage earner or the proportion of tenants in arrears suggesting the program had limited impact on tenants' ability to pay rent or exit social housing.

Opportunity Pathways was similarly found to have no impact on the probability of exiting social housing, although it did have positive employment impacts. About 40% of participants who had been in the program for at least half a year were employed 13 or 26 weeks after enrolment. It was possibly more effective in assisting the long-term unemployed than those who had been unemployed for a shorter period of time. Reductions were observed in the probability of income support receipt (by 5 percentage points) and the amount of income support received (by $292 per quarter). There was considerable variability in impacts across service providers.

Rent Choice Transition, targeted at social housing tenants, was a relatively small pilot implemented in five DCJ districts with few tenants having accessed this so far.

The Scholarships initiative was well-received by participants but there was no evidence of it improving education-related outcomes.

To summarise, to date there is no evidence of Future Directions increasing exits from social housing, with Rent Choice only being effective in diverting people from entering social housing. Rather, the improved standard of dwellings and improved social housing experience under SAHF and LAHC FDI constitutes an incentive for staying in social housing. SHMT is associated with higher exit rates but not to the private market. The impact of SHMT may reverse over the longer term as the disruption associated with the management transfer dissipates, and if the higher positive exit rate for new SHMT tenants continues. In the longer term, employment improvements observed under LAHC FDI may strengthen to the point of making it feasible for tenants to sustainably afford private rental accommodation. This is true also of Opportunity Pathways which positively affected employment outcomes but had no impact on social housing exits over the period of evaluation. Further evaluation of employment opportunities for all programs is needed to better understand employment trajectories and their impact on social housing exits.

Of all the programs and initiatives evaluated, only Rent Choice shows clear evidence of reducing the demand for social housing.

3.1.2. What is the impact of Future Directions for the communities in which the programs and initiatives are operating?

Given the nature of the programs that have been implemented to date (smaller, less concentrated developments) we do not anticipate finding any community-wide impacts for SAHF or LAHC FDI. SHMT, with its large-scale management transfers, may be an exception but it is currently still too early to observe any impacts, especially since for most of the outcomes at the community level, aggregate data at the postcode level was only available up to 2020. Analysis of these data led to the conclusion that, so far, the introduction of SHMT has had no impact on the number of crimes per 100,000 population, the number of drug offences per 100,000 population, the number of domestic violence reports per 100,000 population, the number of homelessness services used per 100,000 population, or the number of homeless people per 100,000 population.

Of the SIIs, Place Plans had the potential to generate community-wide impacts in the twenty housing estates in which they were implemented, particularly given the focus on community engagement and finding solutions to community problems. The Place Plans evaluation found greater reductions in crime rates in the treated estates than in the comparison estates (a 33% decrease). It also found reductions in anti-social behaviour. The reduction in crime could be attributable to a range of initiatives implemented in some Place Plan locations. For example, improvements in physical infrastructure such as lighting, fencing and footpaths; community support programs targeting drug use; employment programs; and greater community engagement fostered through a range of community programs. No change was found in the SEIFA decile score of community disadvantage.

3.1.3. Did the economic benefits of the Future Directions Strategy outweigh its costs?

Cost benefit analyses were conducted for each of the three programs and for Rent Choice, Opportunity Pathways and the Youth Development Scholarships. Here we discuss the main findings of each of the CBAs, their limitations and policy implications.

The CBAs for SAHF and LAHC FDI Projects examine the costs and benefits of the provision of additional social housing under these respective models. SHMT's CBA assesses the benefits of transferring asset and tenancy management to CHPs, excluding the responsibility for maintenance which remained with LAHC/AMS throughout the evaluation period. The CBAs of Rent Choice, Opportunity Pathways and Youth Development Scholarships assess the costs and benefits of providing these initiatives.

SAHF

We compare SAHF to the counterfactual of the NSW government providing new public housing stock itself, where LAHC would own the dwellings and DCJ manage them. Thus, in this case we need to capture not just the costs of managing the properties but also the capital costs associated with building the new dwellings.

The economic evaluation finds that SAHF costs approximately $11.0 million more than it would have cost to provide an equivalent amount of public housing over the first ten years of the program. The largest component of these costs is the net CRA

that is paid to ServiceCos by the Commonwealth government and which comes to just over $8.5 million. The cost of purchasing housing services from ServiceCos via Monthly Service Payments is also estimated to be greater than the associated capital cost involved in building and managing the equivalent public housing, to the value of nearly $2.5 million.

Against these costs, SAHF generates monetisable benefits of almost $3.7 million. These reflect a reduction in the use of ambulatory mental health services of $112,451 ($55 per person) and in the use of justice services via reductions in court appearances ($3.7 million).

The monetised benefits of SAHF hence do not outweigh its overall cost. The resulting Net Present Cost to Australian society is approximately $7.2 million, or $3,502 for each SAHF tenant housed. This corresponds to a **benefit-cost ratio (BCR) for SAHF of 0.35**, indicating that for every dollar invested in SAHF, there are 35 cents in benefits generated.

Taking the narrower budgetary view of the NSW government, SAHF has a net present value of $1.35 million ($660 per person) as the cost of CRA accrues to the Commonwealth, not NSW, government. **To the NSW government SAHF has a BCR of 1.55**, with each dollar expended resulting in $1.55 of benefits.

Thus, overall SAHF is more expensive than building comparable public housing. However, from the NSW government's perspective some of the costs of providing ongoing housing subsidies under SAHF are shifted to the Commonwealth government via the CRA payments that tenants are eligible for in community housing. The ability to access CRA under SAHF results in SAHF being a less costly way for the NSW government to provide new social housing stock than the standard provision of public housing. Note, however, that this higher BCR from the perspective of the NSW government is an artefact of the funding mechanism rather than due to a higher return on investment. If the Commonwealth funding for social housing were provided via a different mechanism (e.g. a grant to the state) rather than CRA, this higher BCR would not apply.

LAHC FDI Projects

For the LAHC FDI Projects CBA we compare the program to the LAHC provision of social housing in the 5 years immediately prior to Future Directions (thus from 1 July 2011 to 30 June 2016).

Compared to this base case, LAHC FDI costs approximately $12.3 million over the first ten years ($2,657 per person) and although estimated benefits are considerable, at just over $5.1 million, the reform leads to an overall Net Present Cost of just over $7.1 million, or $1,540 for each LAHC tenant it houses. Thus, **the BCR for LAHC FDI is 0.42**.

The CBA for LAHC FDI from the perspective of the NSW government is similar to the overall CBA. The costs are slightly higher because a proportion of LAHC FDI is community housing (which does not generate rental revenue for the NSW government), and the benefits are slightly higher because the increase in Medicare costs attributable to the program do not accrue to the NSW government. **The benefit-cost ratio from the perspective of the NSW government is 0.60.**

Comparison of SAHF and LAHC FDI Projects

SAHF provides financial incentives for CHPs to add social housing stock and improve housing stability for tenants. On the upside, this generates significant benefits, some of which we have been able to monetise in the CBA while other

benefits have been difficult to monetise, such as tenants' improved quality of life. However, these benefits come at a relatively high cost to government.

LAHC FDI is also comparatively expensive compared to the pre-Future Directions Strategy. This is largely because of the significant costs of redevelopment of existing social housing, the quality of the dwellings being delivered and the loss of rental income associated with the somewhat larger share of LAHC FDI dwellings allocated to CHP management. There are large benefits, but the measurable benefits are not as large as the costs so the net impact is that society is incurring an overall cost to provide LAHC FDI tenants with a better social housing experience with significantly improved housing stability. The interpretation of the LAHC FDI CBA results is complicated by the fact that LAHC FDI housing is funded internally by selling off old stock (to invest in new stock/redevelopment), a feature which is not captured in the CBA which can therefore only tell part of the story.

An important policy question is whether when investing in social housing stock in the future, state governments should fund CHPs to do this or invest in the stock themselves. To answer this question, the costs and outcomes of newer SAHF housing would need to be compared with newer LAHC FDI public housing. Unfortunately, this direct comparison was not possible for this report as the number of dwellings is currently too small to make the direct comparison feasible. This is an important evaluation question for the future.[41]

One downside of the SAHF model, made clear through the CBA, is that it involves cost shifting from state governments to CHPs (via land costs) and to the Commonwealth government (via CRA). The latter may not be sustainable over the longer term, especially if there are no clear overall benefits that can be demonstrated to the Commonwealth associated with such a cost shift.

SHMT

The CBA for SHMT addresses a somewhat different question – whether the benefits of transferring asset and tenancy management to CHPs outweigh the costs.

For SHMT we combine two sets of analysis. One for tenants that were in the SHMT property at the time of the transfer and a second for social housing tenants that entered SHMT properties after the transfer had already occurred. The benefits for the latter are not affected by the potential initial disruption caused by the management transfer, and therefore are perhaps more indicative of the impacts over the longer term.

The results of the CBA vary considerably depending on whether we consider existing tenants or new tenants. Compared to a base case of the NSW government continuing to provide public housing as usual with LAHC ownership and DCJ management, for existing tenants the costs of SHMT are estimated to be approximately $20.1 million. For this group the overall monetised benefits are found to be negative – an additional $13.7 million, largely driven by an increase in the use of health services and in evictions (tenancy breaches). The result is a Net Present Cost for existing tenants of around $33.8 million (or $1,465 per person SHMT houses) and a **BCR for existing tenants of -0.68**. The BCR is negative because the benefit measures actually lead to a further increase in government expenditure.

For new SHMT tenants (those who moved into their dwelling after the management transfer), the costs are lower at around $2.0 million, partly because transitional costs are not relevant for new tenants. Further, for new entrants the estimated benefits are

[41] The LAHC FDI Projects being evaluated were New Supply and Neighbourhood Projects. Once completed, Major Projects may, or may not, deliver other additional benefits.

positive (reflecting the reduction in adult days in custody for this group of tenants as observed in the outcome evaluation), coming to roughly $2.5 million. Thus, the Net Present Benefit for new tenants is approximately $0.5 million, or $241 for every person it houses in a SHMT dwelling, with a **BCR for new tenants of 1.25**. Thus, for every $1 that is put into the program $1.25 is saved by reductions in government expenditure elsewhere.

Combining the CBA results for existing and new tenants produces a net present cost of $30.8 million ($862 per person) and **a BCR of 0.04**. When examined from the perspective of the NSW government budget, SHMT is estimated to have a net present cost of $147.6 million over 10 years, or $4,134 per person it houses. Thus, **the BCR from the standpoint of the NSW government is 0.01**. While the NSW government saves by no longer having to pay for tenancy management, repairs and maintenance, and access and demand services in SHMT areas, this does not make up for the loss in rental revenue which now flows to CHPs. This loss of revenue is also not offset by the $1.3 million of benefits that SHMT delivers overall.

Rent Choice

Rent Choice was found to have a Net Present Value of negative $29.5 million and a BCR of 0.9.[42] Costs used in this calculation reflect DCJ unit costs for public and community housing which do not include the opportunity cost of social housing capital (land and other assets). Significantly higher benefit values are calculated if one accounts for these opportunity costs as the program diverts people from social housing leading to an increased BCR of 4.4. This is not a NSW Treasury (2017) compliant CBA, but this scenario is relevant if the ultimate aim is to provide as much social housing as required to house everyone who needs social housing.

Benefits flowing from the program include reduced use of social housing ($187 million), health services ($22.6 million), homelessness services ($8 million) and reduced costs to the criminal justice system ($4.4 million).

The Rent Choice CBA also excluded transfer payments (income support payments and rental assistance) as the benefits to one group are offset by costs to other groups. Rent Choice resulted in an increase in income support payments of $15.2 million and rental assistance payments by the Commonwealth Government of $13.8 million.

Opportunity Pathways

Opportunity Pathways was estimated to have **a Net Present Value of $14.6 million and a BCR of 1.4**.

The cost of this initiative was estimated at $32.9 million. Benefits totalled $47.5 million and reflect additional income to NSW citizens of $23.4 million, additional lifetime earnings arising from enrolment in vocational education ($5.5 million), additional rent payments to the NSW government ($7.8 million), reduced use of homelessness services ($4.9 million), reduced costs to the criminal justice system ($3.9 million) and reduced use of health services ($2.2 million).

Hence, even more than Rent Choice, Opportunity Pathways is shown to be good value for money with each dollar of expenditure resulting in $1.40 of quantifiable benefits.

[42] The same BCR was found for both Rent Choice Start Safely and Rent Choice Youth, which together constitute over 95% of the Rent Choice activations over the five year period 1 July 2016 to 30 June 2021.

Youth Development Scholarships

No quantifiable educational or health impacts were identified for this initiative. **The benefit-cost ratio is hence zero**. The program awarded 3,433 scholarships worth $1,000 to 2,264 students. Over the five years to June 2021 the initiative was estimated to cost $5.9 million with 41% of this cost being in program management and the remainder the cost of the scholarships.

Limitations

A major limitation of the above CBAs is that the programs and initiatives provide many benefits that cannot be monetised. In the case of social housing, the intrinsic value of housing stability and reduced homelessness are difficult to fully capture.[43] There are also potential externalities associated with housing vulnerable people which we do not attempt to monetise. These include improvements in neighbourhood amenity which affect both social housing tenants and other residents.

CBA is a method to determine the economic efficiency of a project and does not explicitly account for equity concerns. It treats a dollar taken from a wealthy person equivalently to a dollar given to a poor person. However, as outlined by NSW Treasury (2017, p.4), '(w)hile acknowledging its limitations, CBA is widely used as the first-best and preferred method to assess the merits of proposed government policies and public expenditure.' Treasury does not recommend weighing the welfare of some groups, such as those on the lowest incomes, more than the welfare of others in the CBA. Rather it recommends that a thorough analysis of the distribution of the benefits of the reform be considered alongside the CBA results. Thus, it is essential to consider how the impacts of the programs and initiatives vary across demographic groups, as discussed in Section 3.2, in addition to the results of the CBA.

CBA is particularly valuable in allowing policy makers to make informed comparisons of the policy impacts of alternative reform programs using a consistent unit of measurement, dollars. Thus, it is useful in making comparisons between the three Future Directions programs to obtain a sense of whether any particular program is more efficient in delivering social housing than another. This is particularly the case for the two programs that are delivering new social housing stock, SAHF and LAHC FDI Projects.

Overall

In summary, the provision of social housing is expensive, regardless of the model used – LAHC-owned and DCJ-managed public housing, LAHC-owned and CHP-managed social housing (LAHC FDI Projects and SHMT) or non-LAHC-owned and CHP-managed social housing (SAHF). Further, benefits arising from the provision of social housing are difficult to measure and some benefits may only materialise in the longer term or benefits may disappear again (e.g. if maintenance is not kept up). Overall, the current economic analyses find that the costs of all three models – SAHF, LAHC FDI and SHMT – currently outweigh the benefits. The BCRs for SAHF and LAHC FDI are similar. When viewed from the standpoint of the NSW government, as opposed to society as a whole, SAHF offers a better return than LAHC FDI as the costs of CRA are borne by the Commonwealth government. This, however, may not be sustainable in the longer term. SHMT produces the lowest

[43] Reduced homelessness is captured in the CBA by the reduced use of homelessness services but in reality affects multiple dimensions of people's lives and well-being in fundamental and transformative ways.

BCR, at 0.04. The BCR for new SHMT tenants is however higher than for both LAHC FDI and SAHF, with benefits outweighing costs. Thus, in the longer term, when new tenants constitute a greater share of all SHMT tenants, benefits associated with the management transfers, and thus the BCR, may increase.

In short, further evaluation that allows the identification of longer-term benefits is crucial to establishing the real returns to all three programs.

In contrast, the SIIs Rent Choice and Opportunity Pathways are cheaper and produce quicker results. Both appear to be worth further investment for the groups that were targeted during the evaluation period. Rent Choice effectively diverts people from social housing. The provision of access to tailored training and work opportunities for disadvantaged groups under Opportunity Pathways generates benefits that outweigh its costs even in the short term, with the potential to divert more families from social housing in the future if that employment is sustained.

3.2. For whom have the Future Directions programs and initiatives worked well and under which circumstances?

Tenants in social housing are a diverse group of individuals and households at different stages of their lives. Not all outcomes that have been examined in the program evaluations are important for all groups of tenants. In the Final Reports of each evaluation, impacts on outcomes were estimated for a number of subpopulations. We examine these findings to learn whether certain programs/initiatives work better for some subpopulations than others.

The general finding is that many results are mixed. Younger tenants were more likely to experience positive impacts on employment outcomes and in the safety domain than older tenants. Aboriginal tenants who tended to be younger also saw positive employment outcomes. Older tenants were more likely to experience health benefits than younger tenants. Increases in exits to private rental were more likely to be observed in the less competitive regional housing markets.

SAHF, with its tailored support coordination, saw CALD tenants better able to benefit from the program. Under Rent Choice, Aboriginal applicants were less likely to be approved and had lower activation rates with qualitative evidence suggesting this may be due to lesser access to the housing market, in part resulting from discrimination among agents and property owners. Aboriginal participants also experienced smaller reductions in income support under Opportunity Pathways.

In summary, the findings of this section underscore the need for additional support for more vulnerable tenants, including Aboriginal and CALD participants, and that such support can be successful in overcoming the particular challenges these groups face.

SAHF

Notwithstanding the generally high level of satisfaction among SAHF tenants, there is substantial heterogeneity in SAHF's impact across different subgroups of tenants. Positive employment effects were concentrated among younger tenants (below age 55) – reflecting their greater engagement with the labour market – and Aboriginal tenants (who also tend to be younger). Safety improvements were also concentrated among these groups, CALD tenants and tenants in major cities. English-speaking

tenants, male tenants and tenants in rural areas had increased usage of emergency departments – which could reflect greater access, worse health outcomes or worse access to primary care (such as a GP practice).

No group of SAHF tenants appears to be consistently excluded from taking advantage of at least some of SAHF's benefits. Tenant interviews suggest especially strong positive impacts for vulnerable tenants experiencing imminent or actual homelessness, financial stress, mental health issues, past trauma and social isolation. SAHF's tailored support coordination may account for the ability of vulnerable tenants to engage with and benefit from the program.

LAHC FDI Projects

Substantial heterogeneity was also observed in the impacts of LAHC FDI Projects. In the case of LAHC FDI, positive employment effects were again concentrated among younger tenants. Tenants not living with disability, Aboriginal tenants and tenants whose main language is English also experienced positive impacts on employment outcomes. Women and older tenants made greater use of the improved access to health services.

In contrast to SAHF where more vulnerable tenants may have been assisted by the tailored support coordination linking tenants to services, more vulnerable tenants appear to have benefitted less from LAHC FDI. For example, CALD tenants experienced smaller improvements in the risk of homelessness, employment outcomes, contacts with the justice system and the need for emergency care. The qualitative analysis shows that tenants with limited personal and social resources were less likely to benefit from LAHC FDI Projects.

SHMT

Impacts of SHMT, and differences in impacts across subgroups, were generally larger for new SHMT tenants than for existing SHMT tenants. There were few systematic differences across subgroups for existing tenants. We therefore focus on new SHMT tenants here.

Among new SHMT tenants, gender differences in impacts were most apparent in the increased likelihood of women exiting to private housing and women experiencing greater improvements in housing stability. Women, however, experienced larger negative impacts on education than men.

Younger new SHMT tenants had greater improvements in housing stability than older tenants (for example, a 4.1 percentage point decrease in the probability of being at risk of homelessness versus a 1.5 percentage point decrease for older tenants). Younger tenants also experienced more positive criminal justice impacts, while older tenants experienced more positive health impacts.

Regional SHMT tenants (both existing and new) seem to fare less well than tenants in major cities, except that SHMT tenants in regional areas were more likely to exit to private housing than SHMT tenants in cities, likely reflecting the less competitive private rental market in regional areas.

Existing Aboriginal SHMT tenants do not appear to have experienced worse outcomes due to the management transfer but also do not seem better off than they were before. For new Aboriginal tenants, SHMT seems to have led to better outcomes in a number of important domains, such as housing security (a decreased probability of being at risk of homelessness of 5.9 versus 2.7 percentage points for

non-Aboriginal tenants) and safety and justice (reductions in contacts with child protection services and court appearances of 4.6 and 2.9 percentage points respectively). Aboriginal tenants also experienced a greater increase in income support ($707 per year) which may be due to better information from CHPs on their eligibility for such payments. They seemed, however, more likely to experience worse health and education outcomes.

Among new tenants, CALD SHMT tenants experienced more adverse impacts than non-CALD SHMT tenants. Housing stability deteriorated more for new CALD tenants and tenant interviews indicated that tenants from CALD backgrounds faced difficulties communicating with management and advocating for better outcomes for themselves.

Overall, SHMT tenants were relatively satisfied with services provided by CHPs. However, as was the case for LAHC FDI, the qualitative analysis suggests that the perceived lack of support by CHPs felt by some of the tenants likely plays a key role in these tenants' greater dissatisfaction and poorer outcomes.

Service Improvement Initiatives

Some groups also benefitted more from the Service Improvement Initiatives than others. Under Rent Choice, women were approved for and went on to receive the subsidy at a higher rate than men. Aboriginal people were less likely to be approved for a Rent Choice subsidy and less likely to receive the subsidy or secure a private rental tenancy. When they were approved, Aboriginal clients broadly achieved the same success, but qualitative evidence indicates Aboriginal people may find it more difficult to access the private rental market. The evaluation finds though that strengthening relationships with real estate agents is especially important for Aboriginal clients. CALD clients had lower approval rates than others in Rent Choice Youth but higher take up rates once approved.

For Opportunity Pathways, there was little variability in outcomes across different groups of participants. However, there was some evidence that the program was more effective among the long-term unemployed (more than two years) who saw a greater reduction in income support – $310 versus $70 per quarter; and less effective among Aboriginal people, who experienced a smaller reduction in income support than non-Aboriginal participants – $146 per quarter compared to $233 per quarter for non-Aboriginal participants.

Under the Scholarships initiative proportionately more Aboriginal young people, young people with a disability and young people living in out-of-home care were awarded scholarships (reflecting the selection criteria). Young women were more likely to apply and slightly more likely to be awarded a scholarship than young men. However, there is no evidence that the impacts of the Scholarships were any different for these groups.

3.3. The impact of relocation on tenant outcomes

This section describes how relocated tenants fared during the relocation process; findings are reported by domain in the following order: Home and Housing; Social and Community; Economic Outcomes; Empowerment and Safety; Health; and Education Outcomes. There is information on up to 337 tenancies where tenants had to relocate, but for many outcomes information for fewer tenancies is available. Full details are reported in Appendix D.4.

3.3.1. Home and housing

Table 3.1 describes characteristics of the vacated dwellings compared to characteristics of the dwellings the tenants relocated to, where differences in those characteristics were found to be significant. For the full set of changes in dwelling characteristics, including those where no significant change was found, see Appendix D.4.1.

Table 3.1 Change in dwelling characteristics before and after relocation - domain "Home and Housing"

HOME AND HOUSING	Vacated dwelling	New dwelling	Difference
Age of building (in years)	43.2	29.5	-13.7
Dwelling type: Villa	2.6%	6.5%	3.9%
Dwelling distance (in metres) to nearest…			
High School	1203.0	1504.2	301.3
TAFE	4721.3	8144.5	3423.2
Hospital	3917.2	4901.4	984.2
Post Office	773.8	1244.7	470.8
Commercial zone B3[a]	3311.0	4513.9	1202.9
Commercial zone B4[b]	1320.3	2368.3	1048.0

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: The table reports how the relocation experience changed the reported outcomes. Columns 2 and 3 report simple, unweighted means; column 4 reports the difference between them. Only outcomes that show a significant change at the 5%-level are reported in this table. For the full list of results, including null effects and p-values for each estimate, see Appendix D.4.1.

a) Commercial zone B3 is a commercial core area with high density retail and commercial stores, large scale offices, businesses and entertainment. It typically applies to Major cities, large town centres or regional centres.

b) Commercial zone B4 is a mixed use area where a wide range of land use is encouraged, including residential, commercial and community uses. It is often close to commercial cores and major transport routes.

The vacated dwellings were very old, with an average age of the building of 43 years. Tenants were relocated to newer buildings with an average age of 30 years. Interviewed tenants (who were relocated to a LAHC FDI dwelling) commented on the improvement to the quality of their housing as a result of the relocation.

> *I was lucky enough to get a brand-new place. It's a little two-bedroom place. (Tenant, LAHC FDI)*
>
> *The houses are beautiful, I've got no complaints. They are beautiful homes. (Tenant, LAHC FDI)*

The new dwellings were located further away from amenities, especially further away from high schools, TAFEs, hospitals, post offices and commercial zones. These changes are in line with expectations, given that dwellings in locations with good access to amenities were purposefully targeted for redevelopment, and hence dwellings that are being vacated are expected to be in particularly desirable locations in terms of distance to amenities.

However, data from the interviews show that relocated tenants did not report any problems with the distance to amenities. Some tenants commented on the quality of the amenities, but they reported largely positive or neutral views about the amenities.

Table 3.2 reports relocation impacts on individual and household level outcomes relating to the domain "Home and housing", where such impacts were found to be significant. We find that relocated tenants are moved to dwellings with higher market rent – consistent with the dwellings being much newer – with about 20-25% of that increase in market rent passed on to tenants.[44]

Table 3.2 Effects of relocation on individual and household outcomes in the domain "Home"

HOME AND HOUSING	Effect of relocation – change over time for relocated tenants only			Effect of relocation – change over time for relocated tenants versus comparison tenants	
	Before relocation	After relocation	Before-after for relocated tenants	Before-after for comparison tenants	Effect of relocation
Rent payments and subsidies					
Market Rent (in $ per week)	334.3	406.1	71.9	1.2	78.0
Rent Charged as at 30 June Excl CRA (in $ per week)	181.3	195.9	14.6	-3.8	22.2
Difference market rent and rent paid (in $ per week)	152.9	210.2	57.3	4.9	55.7

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: The table reports how the relocation experience changed the reported outcomes. Columns 2 and 3 refer to tenants who relocated and report simple, unweighted means. Column 4 refers to the unweighted difference in outcomes before and after relocation for relocated tenants, and column 5 to the unweighted difference in outcomes before and after "pseudo"-relocation for comparison tenants. Column 6 shows the coefficient of a weighted regression of the change in outcomes on relocation status. Outcomes are included only if the estimated effect of relocation is statistically significant at the 5%-level. All outcomes presented in this table are significant for both estimation methods (that is, the before-after difference for relocated tenants is statistically significantly different from zero, and different from the analogous difference for comparison tenants).

Comparison tenants are selected to be identical to relocated tenants in allocation zone, number of bedrooms in their dwelling, and household structure. Results for comparison tenants are weighted using analytical weights; the weights are constructed to make the distribution of comparison tenants' outcomes one to two years prior to relocation comparable to relocated tenants' outcomes (see Section 2.3.3 and Appendix D.2 for details).

Only outcomes that show a significant impact are reported in this table. For the full list of results, including null effects and p-values for each estimate, see Appendix D.4.2. For a detailed description of outcome variables, see Appendix D.1

Example for interpretation: the average, unweighted rent increase for relocated tenants from 30 June before relocation to 30 June after relocation, was $71.90 per week (in 2021 prices). For comparison tenants, the average unweighted rent increase in the same timeframe was $1.20 per week. With analytical weights applied, the estimated difference in rent increase (which can now be attributed to the relocation itself), is $78.00 per week.

3.3.2. Social and Community

Table 3.3 reports how the neighbourhood surrounding vacated dwellings is different from the neighbourhood of dwellings the tenants are relocated to. We do not find that vacated dwellings were in better neighbourhoods than the new dwellings tenants moved to. The vacated dwellings are in postcodes with, on average, higher levels of crime and domestic violence, lower labour force participation and higher

[44] The increase in rent charged only occurs for tenants who had sufficient income to pay at market rent before relocation and who may be charged (part) of the increased market rent. Tenants who were charged below market rent and who have no change in income do not experience an increase in rent charged.

unemployment, lower education and higher homelessness services usage. It is important to keep in mind that the majority of relocated tenants were relocated from one particular allocation zone (Campbelltown) and it is thus likely that the neighbourhood characteristics of vacated dwellings are driven by a very small number of different postcodes.

Table 3.3 Change in neighbourhood characteristics before and after relocation - domain "Social and Community"

SOCIAL AND COMMUNITY	Vacated dwelling	New dwelling	Difference
Number of crimes per 100,000 population	14,320	11,624	-2,697
Number of domestic violence reports per 100,000 population	928	629	-299
Median rent ($)	404	420	16
Homelessness service usage rate	97.1	76.0	-21.1
Median commuting distance (km) from place of usual residence	15.2	16.6	1.4
Unemployment rate (%)	13.5	9.0	-4.5
Labour force participation rate (%)	55.4	61.8	6.3
Index of socio-economic disadvantage (SEIFA)	2.8	3.7	0.9
% of people who completed at least year 12, as % of persons aged 20+	45.2	51.6	6.4

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table 3.1. For the full list of results, including null effects and p-values for each estimate, see Appendix D.4.3..

Interviewed tenants reported mixed views on the impact of the relocation on their social experience. For some, the experience was very positive.

> *Our neighbours are really awesome. The one beside us and opposite us as well. (Tenant, LAHC FDI)*

Other tenants found the relocation difficult even when they reported that their dwelling was of high quality because it meant living in a neighbourhood that did not feel safe for them, or that was far from their social networks.

> *…it's brand new, nobody's lived in it before and that. But the complex was built for people that were coming out of prison and people that had mental health issues. It's hell on earth here. (Tenant, LAHC FDI)*

3.3.3. Economic outcomes

In terms of economic outcomes (see Table 3.4), we find an increase in individual weekly income among relocated tenants from before to after their relocation (and this likely partly explains the observed increase in rent charged in Section 3.3.1). No such change was detected among comparison tenants. There is also a small increase in household-level employment, while comparison tenants experienced a decrease. It is unclear what would cause such an effect; one possible explanation is that these changes reflect a differential impact of COVID-19 on relocated tenants versus comparison tenants, rather than a true effect of relocations. However, we cannot test this explanation empirically. At the very least, this finding suggests that the relocation did not significantly disrupt any existing employment arrangements. This is consistent with interview findings, where tenants who had been relocated did not report changes to their employment arrangements as a result of the move.

Table 3.4 Effects of relocation on individual and household outcomes in the domain "Economic outcomes"

ECONOMIC OUTCOMES	Effect of relocation – change over time for relocated tenants only			Effect of relocation – change over time for relocated tenants versus comparison tenants	
	Before relocation	After relocation	Before-after for relocated tenants	Before-after for comparison tenants	Effect of relocation
Individual Gross Income (in $ per week)	503.9	549.1	45.2	-6.0	61.9
At least one person in the household is in employment	25.1%	26.4%	1.3%	-2.3%	4.8%
Income support					
Individual received income support at any point during the year	64.4%	67.7%	3.3%	1.1%	1.0%
Total number of days of income support receipt during the year	215.9	231.0	15.0	8.1	-0.3

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: See Table 3.2. Effects in column 4 are highlighted in grey if the effect of relocation on the outcome measure was significant at the 5%-level according to estimation method 1 (change over time for relocated tenants is different from zero); effects in column 6 are highlighted if the effect of relocation on the outcome measure is significant at the 5%-level according to estimation method 2 (change over time for relocated tenants is different to change over time for comparison tenants). For the full list of results, including null effects and p-values for each estimate, see Appendix D.4.4.

Example for interpretation: for relocated tenants, individual gross income increased from $503.90 per week on 30 June before the relocation, to $549.10 on 30 June following the relocation. Tenants who remained in their dwelling, on average experienced a $6.00 loss in weekly income.

Simultaneously, there is also a very slight increase in income support receipt, in terms of both the probability of receiving any income support at all, and the number of days of income support received over the course of the year. However, even though these effects are statistically significant, they are not of substantial size, and only significant when comparing relocated tenants' outcomes before and after the relocation. Calculating the equivalent change in receipt for comparison tenants reveals that they experienced about the same increase in income support receipt

over the same time period. This is likely to be due to the introduction of JobSeeker during the pandemic, which substantially increased income support payments for many working-age recipients.

3.3.4. Empowerment and safety, education and health

There are no substantial effects of relocation on outcomes in the "Empowerment and safety" domain, or in the "Education" domain. In the "Health" domain we find a decrease in the number of emergency room visits without hospital admission (by 0.09 visits) as well as in the cost of MBS services for relocated tenants (by $138.50), that is not observed in comparison tenants (see Table 3.5). It is possible that this is caused by tests for COVID-19 prior to the relocation for tenants who relocated in the months of March to June 2020. That is, additional tests may have been required for the relocated cohort in the period prior to relocation, causing a drop in used services after relocation for the relocated cohort. However, without exact information on the type of service received, we cannot ascertain this.

Table 3.5 Effects of relocation on outcomes in the domain "Empowerment and Safety", "Education" and "Health"

HEALTH	Effect of relocation – change over time for relocated tenants only			Effect of relocation – change over time for relocated tenants versus comparison tenants	
	Before relocation	After relocation	Before-after for relocated tenants	Before-after for comparison tenants	Effect of relocation
Nr. ER visits (w/o hosp. admission)	0.312	0.235	-0.076	0.018	-0.091
Cost of MBS services	1064.5	935.3	-129.2	34.3	-138.5

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table 3.2. Effects in column 4 are highlighted in grey if the effect of relocation on the outcome measure was significant at the 5%-level according to estimation method 1 (change over time for relocated tenants is different from zero); effects in column 6 are highlighted if the effect of relocation on the outcome measure is significant at the 5%-level according to estimation method 2 (change over time for relocated tenants is different to change over time for comparison tenants). None of the Empowerment and Safety or of the Education outcomes were significant. For the full list of results, including null effects and p-values for each estimate, see Appendices D.4.5 to D.4.7.

3.4. Discussion of overall assessment to date

Table 3.6 summarises the synthesised findings in relation to each program's and initiative's contribution to the three Future Directions objectives: more social housing; a better social housing experience; and more opportunities, support and incentives to avoid and/or leave social housing. Each cell is colour-coded to reflect the extent and strength of the evidence.

The table shows that Future Directions has made strong progress in the provision of **more social housing** under SAHF and moderate progress under LAHC FDI Projects, reflecting the proportion of target dwellings that have been supplied – not absolute numbers of dwellings – with the majority of planned LAHC FDI Project dwellings still to be delivered in coming years.

Table 3.6 Summary of impacts of the Future Directions Strategy by objective

Future Directions Objectives:	Social and Affordable Housing Fund (SAHF)	Social Housing Management Transfer (SHMT)	Land and Housing Corp Future Directions Implementation Projects (LAHC FDI)	Place Plans	Early Childhood Education Services	Rent Choice	Opportunity Pathways	Youth Development Scholarships
1. more social housing	3,272 new social and affordable dwellings service ready by May 2023 (of the final 3,486 due by end 2024)		2,500 new dwellings service ready by May 2023 (of the final 19,500 due by end 2026)					
2. a better social housing experience	SAHF tenants report being happy with the design and quality of their dwellings. There was increased tenancy stability and a greater sense of safety. All tenant types benefitted from this. There was increased employment among younger tenants.	Improvements in satisfaction with CHP housing services compared to satisfaction with DCJ. Problems accessing CRA. Some interviewed tenants report decreased satisfaction with housing management and with (AMS) maintenance.	Tenants mostly satisfied with the design and quality of dwellings. Increased tenancy stability, greater sense of safety. Neighbour-hoods with less crime and fewer drug offences. More vulnerable tenants, e.g. CALD, did not experience the same benefits as others.	Place Plans successfully engaged with residents and local communities. Reductions in anti-social behaviour and crime rates in established locations.	210 children supported into early childhood education (as of 30 June 2020). Participants say access to ECE not otherwise possible.		3,471 people (1,458 who were social housing tenants, and 1,007 who were on the Housing Register) were enrolled in the program. Some evidence of increases in personal wellbeing and satisfaction with DCJ.	2,264 scholarships awarded between 2017 and 2021. Initiative was over-subscribed and eligible applications increased over time. Positive reports by participants and communities.
3. more opportunities, support and incentives to avoid and/or leave social housing#	>50% reduction in tenant-initiated terminations and lower likelihood of exiting social housing. Increases in employment and decreases in income support among younger tenants may lead to more (positive) exits in future.	Small decreases among existing tenants in positive exits to private rental, small increases in positive exits to private rentals for new tenants (relative to public housing tenants). Tenants report being unlikely to exit social housing, but they are more likely to exit relative to public housing tenants. No clear effects on economic outcomes.	17% reduction in tenant-initiated terminations. Sustained increases in likelihood of at least one household member being employed. Increases in employment among younger tenants may lead to an increase in exits in future.	No impact on probability of exit. No change in proportion in arrears. A small increase in employment but no change in the probability of being a wage earner.	Some families (3 of the 8 interviewed) reported that ECES allowed them to pursue education, training and employment opportunities.	9,822 families housed outside the social housing sector. Reduction in applications for housing assistance and homelessness services. Rent Choice and Opportunity Pathways work well together.	Decrease in income support. 37% of participants in the program employed or in education or training 13-26 weeks after enrolment. No impact on likelihood of being in public or community housing.	No evidence of improvements in education outcomes. Only 16% of interviewed students reported they would have disengaged from school without the scholarship.

Key: *Based on information to June 30, 2021.

Good progress | Moderate progress | Minimal impact/Little evidence | Moderate adverse impact | Severe adverse impacts | Not applicable

Progress has also been recorded consistently across the programs and initiatives in terms of **improving the social housing experience**. SAHF and LAHC FDI both contributed to this goal. The quality of the dwellings under these programs has increased tenant satisfaction. Tenant Support Coordination in SAHF appears to have played a role in all tenants benefitting from increased housing stability and a greater sense of safety. In contrast, under LAHC FDI, which did not offer Tenant Support Coordination, CALD tenants benefitted less than other tenants.

Mixed results were observed in terms of the social housing experience for SHMT. While tenant surveys suggest that tenant satisfaction improved under SHMT, dissatisfaction was expressed in some tenant interviews and there were limited impacts detected on tenant outcomes. The SHMT results may reflect teething problems in the stage shortly after the management transfer which is likely to have been stressful for existing tenants. It also was the period in which CHPs were not yet in charge of maintenance, and a time at which some tenants were still struggling to access CRA.

Opportunity Pathways, which predominantly offered employment and training support to people aged 16 to 25 years contributed to **providing more opportunities, support and incentives** by improving employment outcomes for this cohort. Employment outcomes also improved for younger SAHF tenants. The employment outcomes of the older tenants who make up the majority of both SAHF and LAHC FDI tenants were largely unaffected as they are at a stage of life where improvements in employment outcomes are not widely expected. A relatively large proportion of Opportunity Pathways participants were Aboriginal (26%). Although income support decreased for Aboriginal participants, it decreased to a lesser extent than for non-Aboriginal participants.

As part of the redevelopment processes in LAHC FDI some tenants had to be relocated. Early analysis (of up to one year after relocation) of the impact of relocation on the small number of tenants who were affected shows no substantial negative effects of relocations on tenants' individual and household outcomes. However, the analysis was conducted for a small group of tenants only, who were largely from one allocation zone so these results are not necessarily representative of the broader tenant population, and this analysis should be repeated in the future, especially when large numbers of tenants need to be relocated to commence the larger redevelopments under LAHC FDI.

There is less evidence on progress for the objective of **encouraging exit from (or avoidance of) social housing**. Only Rent Choice made strong progress on this front by housing 9,822 families outside social housing and reducing the likelihood of participants applying for housing assistance and homelessness services. Both SAHF and LAHC FDI Projects were associated with large decreases in the probability of tenants exiting social housing in the study period, reflecting the high satisfaction with their dwellings (and the higher average age of tenants). Existing SHMT tenants were slightly less likely to exit to private rental housing than public housing comparison tenants. New SHMT tenants were more likely to exit to private rental than public housing comparison tenants (1.6 percentage points), but they were also more likely to have a negative exit (1.0 percentage points). The result for new tenants suggests there may be potential for exit rates from SHMT dwellings to private housing to increase over time as new tenants become a greater share of SHMT tenants. There is limited evidence though of strong economic gains which would make private rental

more feasible for SHMT households. For example, reliance on income support was not reduced among SHMT tenants.

Improving the social housing experience as achieved by SAHF and LAHC FDI Projects, while a deserving objective, in many ways decreases the incentive to leave social housing. In addition, the objective of exiting social housing is not relevant for many older tenants who are retired on a small income, and who form one of the (larger) target groups for the additional SAHF and LAHC FDI dwellings.

Programs and initiatives that increase the earnings capacity of tenants may contribute to more exits from social housing in the future. While exits were observed to decrease in SAHF and LAHC FDI, both programs improved employment outcomes among younger tenants which may offset the decrease in exits in the future. For this reason, the grading of SAHF's contribution to Future Directions' third aim of increasing exit from social housing had been upgraded in this report from "moderate adverse impact" to the more neutral "minimal impact". Opportunity Pathways also contributed to this objective by decreasing reliance on income support and increasing enrolments in vocational education which may lead to improved employment opportunities and ability to rent privately in the future (although this has not occurred yet). Place Plans were also associated with a small increase in the probability of being a wage earner.

The evaluation also generates **lessons in terms of the optimal targeting of programs and initiatives to particular subgroups**. Positive employment impacts, improvements in safety and reductions in interactions with the criminal justice system were mainly experienced by younger cohorts, including for Aboriginal tenants and participants. Thus, employment and criminal justice programs and tenant support services with an employment or criminal justice focus (including Place Plans) would do well to target this group. Within this group, targeting employment programs specifically to the longer-term unemployed is also worthy of consideration as the Opportunity Pathways evaluation found greater benefits for this group.

The evaluations find that the programs led to greater increases in positive exits in (regional) areas where the private rental market is less competitive. This suggests that programs such as Rent Choice are likely to generate greater benefits, and hence could be concentrated, in areas where private rental housing is more accessible and affordable.

Older social housing tenants, while benefitting less from employment programs, were more likely to experience positive health impacts, so housing in proximity to health services (to ensure good access) should be prioritised for this group.

A recurrent finding across the evaluations is that vulnerable tenants benefit from greater support. This includes CALD tenants, tenants facing the imminent or actual risk of homelessness, those with mental health issues and those who are socially isolated. Providing such support through tailored support services, similar to the approach used in SAHF, has the potential to significantly increase the economic returns to the underlying investment in social housing.

Aboriginal participants would also benefit from additional support. This is apparent from the Rent Choice and Opportunity Pathways evaluations. Resources directed at strengthening relationships with external stakeholders such as employers and real estate agents would assist Aboriginal Australians to overcome the disadvantage they

face in both rental and labour markets. Employing more Aboriginal program and initiative staff would also assist in this regard.

The large number of female participants in Rent Choice Start Safely indicates its importance and success in providing a way out of domestic violence situations for women and their children. It is crucial that this pathway remains available to all people at risk who need it, and that this initiative's existence is made widely known among service providers and others supporting people experiencing family and domestic violence.

Finally, as the SHMT evaluation makes clear, social housing and program initiatives have a greater ability to influence the outcomes of new tenants. This may be because tenants who are new to social housing experience many changes as they enter social housing and are on average younger, and so this may be an opportunity to establish new relationships and patterns of behaviour. Hence, programs and support should be offered and specifically targeted to tenants as they enter the social housing system.

4. Evaluating the implementation of the Future Directions Strategy

Key takeaways

- Strong financial and political support, policymakers' deep commitment to the success of the initiative, and extensive stakeholder engagement across government and the social housing sector were evidence that the Future Directions Strategy was broadly shaped by factors known to enhance policy impact.
- Inclusion of another key policy determinant, research on social housing policies that are effective in improving tenant outcomes, was limited.
- Areas for improvement in implementing the Future Directions Strategy included:
  - Reducing staff movement and restructures during major policy implementation.
  - Expanding policy goals to take in a wider system view of barriers and enablers, such as affordability of private rentals, to achieve strategy goals of increased tenant exits to private housing. Increasing the use and breadth of research evidence on effective policy, i.e.:
    - What is effective in social housing interventions, and the influence of context in implementing these interventions.
    - What works in improving tenant outcomes in the development of social housing policy, programs and implementation.
- Common CHP experiences of implementation across the three major Future Directions Strategy programs - SHMT, SAHF and LAHC FDI - were observed regarding the following:
  - CHPs and ServiceCos are a good fit for the Future Directions Strategy. They take pride in the work they do, are well connected in the service sector, have a clear view of the objectives of the reform, and are interested in more opportunities within social housing. This suggests endorsement for DCJ's selection of delivery organisations.
  - The Future Directions Strategy has produced larger CHP organisations, changing the landscape of the industry, and potentially reducing competitiveness and driving inequalities in the sector. Evaluation of this potential, unintended impact should continue in the future.
  - Contractual and program complexity is a standout concern for stakeholder organisations (CHPs, developers and councils) across all three Future Directions major programs.

4.1. Introduction

The aim of this evaluation component is to explore the extent to which policy impact determinants, drawn from the Analysis of Determinants of Policy Impact (ADEPT) model (Rütten et al., 2000, 2011, 2012), were present in Future Directions Strategy development and implementation processes, including:

- formally specified policy **goals**;
- **resources** available to enable policy goal accomplishment;
- the political, professional and personal **obligation** to respond to social and affordable housing needs in the community; and
- any internal or external catalyst that created an **opportunity** for change.

The use of research evidence in policy development and implementation was assessed through a policy document review while common experiences of CHPs and ServiceCos in implementation were explored using the Consolidated Framework for Implementation research (CFIR).

4.2. Impact determinants of the Future Directions Strategy policy development and implementation

Analysis of 12 interviews with senior DCJ policymakers involved in the Future Directions Strategy (e.g. Deputy Secretary, Executive Directors, Directors and Managers in the area of housing policy) indicated that four key policy determinants, important to policy success, were present in policy development and implementation. That is:

- **Policy goals:** were specified for policy development and implementation. There is an opportunity to expand these goals to include wider system goals that could impact outcomes of the Future Directions Strategy.
- **Resources:** sufficient personnel and financial resources were allocated for policy development and implementation. In some cases, movement of staff in and out of the Strategy created some loss of momentum in the project.
- **Obligations:** personal, professional and political commitments to policy development and implementation were built and leveraged, and the flagship nature of the policy increased accountability.
- **Opportunities:** public and political opportunities were utilised to catalyse change in the development of the policy while sector readiness to take a leading role in tenancy management and service delivery was a catalyst to successful implementation.

Each policy determinant is outlined further in 4.2.1 to 4.2.4, respectively.

4.2.1. Policy Goals

Policy Development

While a minority of interviewed participants perceived there were clear directives from the beginning about what policy goals the new social housing strategy needed to accomplish, most participants perceived that pre-specified policy goals were only

partially present and that these goals crystallised over time through input from stakeholders. Further, specific goals emerged from the policy development work on service improvement initiatives. All participants believed that the three main objectives of the Future Directions Strategy (more social housing; more opportunities, support and incentives to avoid and/or leave social housing; a better social housing experience) and the overall shift from being asset-focused to client-focused were all explicit and clear in the final public-facing documentation. The final policy goals were perceived as a good fit – for then and into the future.

Implementation of policy

It was widely acknowledged by participants that the Future Directions Strategy goals were ambitious, and that full realisation of the policy goals requires a long-term perspective and viewpoint. Participants described the Future Directions Strategy goals as representing a cultural shift in how social housing is provided, to whom, and to what end. Aligning the sector with these goals had initial challenges because some participants did not believe CHPs should be accountable for non-housing outcomes articulated in the Human Services Outcomes Framework, such as tenant employment or education outcomes.

Yet, ultimately, the clear and ambitious goals were perceived to have generated buy-in and goodwill from stakeholders which has enabled successful policy implementation.

> *"Future Directions encouraged them to believe they could really help people, and that it was more than just providing housing."*

However, some participants were of the view that the goals were too ambitious, and this created pressure to deliver quickly, which risked compromising quality. For example, waiting until the maintenance contracts could be transferred along with the responsibility of tenancy management in the SHMT program would have reduced some of the concerns and issues experienced by tenants in the period before the maintenance contracts were also able to be transferred from the existing government contract to CHPs. Consequently, some perceived that the Future Directions Strategy goals became more pragmatic over time in response to political and environmental influences, such as (e.g.) changed staff, consultation, and funding considerations.

Other participants perceived the policy goals to be insufficient in addressing known structural problems. For example, the Future Directions Strategy had a clear goal to build the capacity of social housing residents to move along, and ultimately leave the social housing continuum (from homelessness to social housing rental). This was perceived by participants to be driving an emphasis on well-implemented employment and education initiatives that would go some way towards achieving this objective. However, the Strategy does not have clearly specified goals on increasing the affordability of the rental market, or a goal around increasing labour market opportunity. The absence of these system-level goals was perceived to be a potentially limiting factor to overall strategy success.

4.2.2. Resources

Policy Development

Participants generally perceived the necessary resources (e.g. funding, workforce capability, positive attitudes) to be present, or at least partially present. In terms of funding, it was the view of the majority interviewed that Future Directions was a well-resourced policy, and this helped to shape how ambitious the Strategy was.

It was also perceived that having a strong support base for social housing reform in NSW was influential in driving the Strategy forward and in determining the scope and priorities of the Strategy. This support came in the form of strong bipartisan political backing, as well as endorsement and enthusiasm from sector stakeholders (e.g. CHPs, academics, advocates), high-profile influencers, and tenants. However, there was a lack of broader public support, including that represented in some media, resulting from a poor understanding of social housing and its purpose, and related to some negative media about an (unrelated to Future Directions) social housing development at around the same time.

Perceptions about the adequacy and capacity of the available workforce resources were mixed: particularly whether the numerous departmental restructures resulted in an influx of staff with new and necessary expertise, or whether they resulted in a net loss of essential subject matter expertise.

"The restructure also did bring in new people with a lot of experience that was relevant, especially regarding putting in place strong evaluative frameworks and new ways of looking at policy challenges."

"Repeated restructures…resulted in insufficient expertise to input into the reformed social housing model."

Implementation of policy

Moving from policy goals to policy implementation requires significant, and specific, resources. Most participants felt the necessary resources for enabling implementation were partially present, but there were some notable gaps.

Participants felt that strong internal and external stakeholder enthusiasm and buy-in was a key resource that has enabled implementation to date. Significant funding investment (especially from central agencies e.g. Treasury), a focus on implementation and evaluation infrastructure (e.g. Project Management Office, contract management and governance processes, program logics), and well-resourced and well-structured teams were also perceived to have facilitated the successes noted to date. However, some resources, particularly those at the district level to enable flexibility and innovation, were consistently perceived to be lacking by participants, which has had a negative impact on strategy implementation.

The increased size of CHPs, as a result of being involved in Future Directions, meant that implementation of all three programs contributed to a change in the landscape within the sector. For SHMT in particular, this was described as an intended outcome of the program and consequence of the change in proportional distribution of social housing stock in NSW. Some participants perceived that this

would change the dynamics within and among CHPs, and contribute toward a monopoly of fewer, larger organisations with a sizeable presence in the sector. This might then reduce the competitive tension that exists between small and large or among similar-sized organisations in the sector. In practice, this could result in a reduced ability for smaller CHPs (ServiceCos) to meaningfully compete for future iterations of Future Directions programs (SHMT, SAHF and LAHC FDI), should they occur. At the very least, it may mean smaller CHPs need to compete by showcasing different attributes, such as a smaller, more tailored specialised tenant service.

The outsourcing of social housing from government to CHPs has also resulted in many departmental staff with subject matter expertise following the jobs out into the sector. There was some concern over whether there were enough of the right people left within the Department to effectively lead the policy reform agenda during the key initial phases of program implementation, and into the future.

These restructures were also seen as disruptive in the sense that they resulted in a change of executive oversight of the programs, for example multiple directors with different views and perspectives influencing the Strategy in different ways over time.

Further, a small number of participants perceived that remaining staff lost focus, or that new teams were less committed to the original reform objectives due to a lack of history with Future Directions.

4.2.3. Obligations

Policy Development

Participants reported a strong sense of personal, professional and political obligation to reform NSW's social housing system.

Ethically, the policymakers and external stakeholders who were involved in shaping the reform had a deep personal and professional commitment to instigating positive change and improving outcomes for people in social housing. This commitment was seen to have fostered engagement and collaboration on the refinement of the Strategy, even when perspectives were not aligned.

Participants reported that the government responded to its duty at a system level to address issues of supply and demand in new ways and grappled with the challenging task of balancing reform efforts with the need to stabilise economic drivers in the broader housing market.

Fiscally, there was a real and pressing obligation to address unbalanced spending (state-owned housing costing more than it was earning), and this is perceived to have influenced the prioritisation of the Strategy.

Implementation of policy

Consistent with ADEPT model insights about the determinants of policy impact, participants identified political and ethical/moral obligations as key drivers of policy implementation.

The Future Directions Strategy was seen as a signature, flagship policy and as such there was strong accountability for successful implementation.

In some very specific instances, policies were created to ensure the strategy was delivered as intended and to create an ongoing commitment to specific expenditure.

The ongoing implementation and delivery efforts among departmental and CHP staff were perceived by many to be motivated by individuals' deep sense of ethical and moral obligation to make a difference, and their sense of professional responsibility to deliver on these important commitments.

4.2.4. Opportunities

Policy Development

Most participants noted that then Minister Brad Hazzard taking office was a key determinant of the inception and development of the Future Directions Strategy. The former Minister's appointment resulted in the allocation of required resources, which was a necessary precursor to an ambitious strategy.

There was also a pressing need to increase supply at the time. Limited investment in new supply over a number of years resulted in urgent demands that could not be ignored (e.g. such as the length of the social housing waiting list), and this catalysed action in the form of prioritisation of this issue in the Future Directions Strategy.

Implementation of policy

Sector readiness to take on more tenancy management and service delivery was perceived to be the key opportunity that catalysed successful implementation of the Future Directions Strategy. If this maturity had not been present in the sector, high-quality implementation would not have been viable.

There was a view among participants that general public support, not just support from stakeholders, would create fertile ground for ongoing progress towards achieving the Future Directions Strategy goals.

> *"As Future Directions is now in the implementation phase, success stories can be pulled out for the government, who can then communicate this to the public to gain support."*

4.3. The use of Research evidence in policy development and implementation

Document review

A review of documents relating to policy development and implementation of the Future Directions Strategy was undertaken to understand how evidence was used in developing and implementing the Strategy. This included a review of *Future Directions for Social Housing in NSW 2016* as well as 43 documents provided by DCJ that related to development of the Future Directions Strategy.

No explicit reference to research from peer-reviewed published or grey literature was found in the publicly available *Future Directions for Social Housing in NSW 2016*. There was one explicit reference to internal FACS data from 2014 that was used to describe the rationale for the Future Directions Strategy.

The document did include numerous effectiveness claims that may have been drawn from the research literature, but which were not explicitly referenced, for example:

"Affordable rental housing improves the effectiveness of the social housing system." (p. 17)

Review of the 43 internal documents (Table E.1 in Appendix E) showed that there was a greater reliance on internal evaluations and government reports (n=135) than on peer reviewed research (n=18, including 13 references to Australian Housing and Urban Research Institute (AHURI) documents that have a peer review process) in the creation of the Future Directions Strategy.

The majority of data sources used as evidence in the policy development documents, either implicitly or explicitly referenced, was data relating to tenants, including demographic, linked or outcome data. These data were used to provide a description of tenant characteristics and needs but it was not clear how the evidence was used to develop intervention strategies linked to tenant needs or desired outcomes. It is possible that decisions to implement certain strategies were based on implicit theories of change not shared in these documents.

Implicit use of evidence often occurs when there is increased tacit knowledge within an organisation, that is collective values, beliefs and behaviours resulting from non-documented experiences of a group (Podgórski, 2010). This means that as knowledge becomes recognised and accepted within organisations as tacit it no longer needs to be referenced within documents. This may explain why some evidence was referenced in policy development documents but not in the public-facing Future Directions Strategy document (although this may also have something to do with NSW government standards for publishing communication documents).

In general, evidence used within the Future Directions documents was focused on aetiology (in this context, the study of the characteristics of social housing tenants) and burden (Type 1 evidence) rather than evidence on the effectiveness of interventions (Type 2 evidence) or evidence on implementation in context (Type 3 evidence) (Brownson et al., 2022). While we acknowledge policy development is influenced by multiple sources - such as expert advice, resources, media, public opinion, legislation and political ideology (Redman et al., 2015) - this finding means policymakers did not draw on the type of evidence (i.e. Type 2 intervention evidence) that would be most useful in designing an effective social housing strategy.

Tacit knowledge appears to have been used in mixed tenure development, in particular the 70:30 ratio between owners and social housing, respectively, in Future Directions developments. This ratio has been subject to evaluations in the literature, and the evidence for its effectiveness at producing improved tenant outcomes is mixed (Darcy and Rogers, 2019). More explicit use of this evidence base might have improved communication with stakeholders, such as developers, who sought clarification from the evaluation team regarding the evidence behind this ratio in the evaluation of LAHC FDI. Future evaluations of Future Directions or other appropriate social housing policy could include an evaluation of outcomes related to mixed tenure and stakeholders could be informed of their involvement in building the evidence base for this.

Interviews with DCJ participants

Only two participants were able to contribute meaningful data to the exploration of the use of research evidence in the development of the Future Directions Strategy,

and so the results presented here need to be interpreted with caution as they reflect the views of two individuals, and not common themes across the sample.

One participant played a direct role in shaping the Future Directions Strategy document by developing key policy inputs (e.g. briefing papers) and played a lead role in community consultations that informed the policy and specifically the Strategy document. This participant was of the view that the structural aspects of the policy (i.e. the three program pillars) were well-informed by research evidence, but that there was a lack of research to inform expectations and decisions about what outcomes the Future Directions Strategy could achieve.

This participant described looking for research evidence in academic papers, grey literature and repositories or reference libraries (e.g. the Australian Housing and Urban Research Institute research library). Primary research studies, government reports, internal evaluations and data from registries and databases were all identified and used. They reported that in this experience, research relevance and quality were judged in an *ad hoc* way based on feasibility and advice from experts and consultants. The research evidence was reportedly used to inform background thinking, shape understanding of the policy context (e.g. needs of the target populations), directly inform policy priorities and decisions, and to persuade stakeholders. This participant noted the lead time on the development of the Future Directions Strategy was exceptionally long, allowing for more time to identify, understand and use research evidence than is usually available to policymakers.

This view was contradictory to that of the other participant who was involved in strategy development in an advisory capacity (providing content expertise) and did not play a direct role in decision-making or in writing the Strategy document. This participant reflected that they primarily relied on their own experience and expertise, and that they did not actively draw on research evidence when providing policy advice. This participant's smaller, more advisory role may not have enabled them to have an insight into the overarching use of evidence in the development of the Future Directions policy.

4.4. Common CHP experiences of implementation observed across the three major Future Directions Strategy programs

Table F.1 in Appendix F describes the common implementation domains and constructs related to CFIR that were reported across all three Future Directions programs in this evaluation – SHMT, SAHF and LAHC FDI.

These included:

- **Complexity of the initiative for the CHPs to implement**, including how time consuming it was to navigate, and the complexity of tendering, contracts and reporting across the three programs.
- The belief among CHPs that the programs provided a **relative advantage for stakeholders** in the sector, with many CHPs believing that there were improved outcomes for tenants in each program for different reasons. These beliefs may conflict with actual tenant feedback.
- The **structural features of CHPs** ensured they had the service and delivery expertise, and they could grow their organisations through Future Directions.

Large CHPs appear to have had the **organisational capacity** to take on the Future Directions initiatives and were able to provide sufficient staffing and capital resources to take on the projects. This was more challenging for CHPs that were starting in new locations in which they had not worked before, though this was not insurmountable given time.

- CHPs (and developers in the case of LAHC FDI) believed that **Future Directions aligns with their mission and goals as an organisation**. Involvement as implementing agencies for these initiatives provides both a financial and reputational boost to the business and appears to extend the reach of service delivery.
- There was **high value** placed on the Future Directions initiatives by stakeholders in terms of their **potential to reform the system for the better**. Despite complexities, stakeholders believed in the programs, felt that implementation was successful, and that the reform is on track to improve outcomes and livelihoods for those across the social housing continuum.
- **Stakeholders reported having strong social connections within the sector**. This assisted in implementation, including relationships with DCJ and other social enterprise organisations which facilitated greater access to services for tenants when required.
- CHPs felt that they had a good understanding of **tenant needs and the resources** they required and felt they had capacity to deliver services to meet these.
- **Recruitment and engagement of appropriate staff** with relevant expertise, as well as engagement across sectors and with DCJ was seen as crucial for implementation success.

4.5. Summary and implications

This component of the evaluation constituted an exploration of what policy impact determinants were present in the Future Directions policy development and implementation processes, how evidence was used to support policy development and common themes in implementation for CHPs across the three major programs, SHMT, SAHF and LAHC FDI.

Policy impact determinants (goals, resources, obligations and opportunities) were perceived to be at least partially present during the Strategy development process when explored and analysed retrospectively. However, some key gaps were identified in the policy development process. That is, restructures within teams during the delivery of the Future Directions Strategy and the loss of staff to non-government providers (CHPs and ServiceCos) resulted in a net loss of the required personnel resources, and this may potentially have resulted in reduced internal expertise in the Department to input into social housing reform.

Increasing and optimising the use of research evidence in policymaking has been widely recognised as important for improving outcomes for citizens and informing decisions about funding and resource allocation (Banks, 2009; Langer et al., 2016; United States Commission on Evidence-Based Policymaking, 2017). The barriers and enablers to using research evidence that are experienced by policymakers have been widely documented. (Innvar et al., 2002; Oliver et al., 2014; Orton et al., 2011).

Evidence referenced in Future Directions policy development documents was missing from the public-facing strategy document. Whether this finding reflects reliance on organisational tacit knowledge or not, the NSW government should codify this knowledge as much as possible to ensure accuracy in knowledge transfer and develop a standard of the explicit inclusion of evidence in policy to improve outcomes for the social housing sector into the future. This would also demonstrate, to a wider audience, the importance of the use of evidence in the development and communication of policy.

We identified a greater reliance on internal evaluations and government reports using internal data as evidence, in the creation of the Future Directions Strategy, than independent peer-reviewed research. This research evidence was almost exclusively focused on one type of evidence – aetiology or burden (causes or causation of outcomes for tenants). This means policymakers were well informed about the characteristics and needs of social housing tenants in developing the Future Directions Strategy, but not necessarily about the most effective ways to intervene to improve tenant outcomes through social housing.

To facilitate the increased use of evidence in policy, especially in areas where there is a current evidence gap, the NSW government could invest in Research-Policy Partnerships (Haynes et al., 2020), where co-creation of research is fostered that is of most use to social housing policy. We note DCJ has a long-standing arrangement with AHURI (demonstrated in the use of AHURI reports in the development of Future Directions policy) through funding and input into AHURI's annual national research agenda. This partnership could be further leveraged to include a stronger focus on 'what works'. Alternatively, DCJ may need to build new partnerships with groups that are experts in the synthesis of evidence for intervention. Building evidence into all policy-relevant activity (e.g. leadership promoting this as an expectation), coupled with efforts to increase policymakers' capacity (e.g. skills and knowledge) and opportunity (e.g. through partnerships or secondments with research institutes) to use research evidence, will contribute to facilitating a culture of evidence use within the Department (Lugo-Gil et al., 2019).

Common implementation experiences by CHPs across the three Future Directions programs – SHMT, SAHF and LAHC FDI – have implications for the NSW government in the implementation of social housing programs more broadly. CHPs and ServiceCos seem a good fit for the Future Directions Strategy. They take pride in the work they do, are well connected in the service sector and are interested in more opportunities within social housing reforms. This, coupled with CHP growth in capacity and capability to deliver social housing through Future Directions, is changing the landscape of the social housing sector in NSW. An unintended consequence of this strategy may mean smaller CHPs, many of which provide specialised tenancy services and/or serve specific communities/geographies in the state, are not given as many opportunities to develop and grow in the sector. This has the potential to reduce competitiveness and drive inequalities in the sector. Continued evaluation of the impact of this strategy on the CHP sector and the resulting consequences for smaller CHPs should be undertaken, including assessing the potential ability of smaller CHPs to be more agile and efficient in meeting the needs of the tenants.

Contractual and program complexity is a standout concern across all three Future Directions major programs. While the type of complexity differed, and CHPs were able to overcome implementation problems over time, CHPs perceived these complexities to have a negative impact on tenant engagement and services, and this appears in part to be borne out in the reports of tenants.

5. Use of tenant perspectives in Strategy development

Key takeaways

- Tenants were engaged early in the process of the Future Directions Strategy development, but their input was not solicited consistently in relation to all programs.
    - There is more evidence of how tenant input shaped the SAHF program compared to the SHMT and LAHC FDI programs and the SIIs.
- Document analysis suggests that tenant input did contribute in a small way to changing the policy, but it provides only a limited view on how this process may have occurred.
- A wide range of methods were used to engage tenants, but there is limited evidence of appropriate methods used to solicit input from Aboriginal tenants and tenants of CALD backgrounds, and a lack of evidence on how consultations were designed to be inclusive of all people with disability.
- Document analysis provides evidence that tenant voice influenced each element of SAHF, SHMT and LAHC FDI and demonstrates that most SIIs were influenced by tenant interest.

5.1. Introduction

Policy and programs are considerably strengthened by involving the public in their development. In addition to ensuring that the interests and concerns of all stakeholders are reflected (IAP2, 2003), and improving “transparency, efficiency and effectiveness” of regulations (Rodrigo and Amo, 2006), public participation contributes to improving trust in the government (Information and Privacy Commission NSW, 2018). Additional benefits of public participation for communities include developing greater awareness of planned government programs and policies, an increased sense of contribution to society, better relationships with government and development of the skills to hold the government accountable (Information and Privacy Commission NSW, 2018). Evidence from research undertaken in the UK reinforces these benefits for government and community in the context of social housing. Manzi et al. (2015, 40) argue that the benefits of involving tenants in decision making and governance around social housing are multifaceted, including “personal benefits for residents, value for money savings, safer and more effective decision-making and increased customer satisfaction.”

Given the importance of public participation in the development of programs and policies, we set out to understand the way in which tenants were involved in the development of the Future Directions Strategy. We conducted a content analysis of public and confidential documents provided by DCJ and other relevant NSW government departments to identify how prospective and current tenants impacted

by the Strategy were engaged in the development of the Strategy and what effects their input had.

Our research provides important insights into how the Future Directions Strategy programs (SHMT, SAHF, and LAHC FDI) and Service Improvement Initiatives (Opportunity Pathways, Place Plans, Rent Choice, Youth Development Scholarships, and Early Childhood Services) reflect tenants' perspectives, highlighting where beneficiary-centred policymaking processes were strong, and where there are opportunities for improvement.

Overall, the analysis demonstrates that there were multiple opportunities for tenants to share their perspectives, particularly during the early part of the Strategy development process. The input collected from tenants during these consultation processes did contribute to some changes in the Strategy during the initial stages of its development. Our analysis also highlights that there were inconsistencies in how tenant input was integrated into the Strategy development process beyond the early stages. According to the data available to us at the time of writing, the conceptualisation of the SAHF program was grounded in more tenant input than the SHMT and LAHC FDI programs, and the SIIs. Additionally, as suggested in Section 5.2.2, our analysis (discussed below) highlights that some of the processes used to collect input from tenants may have unintentionally privileged the voices of some tenants over others, with notable gaps around the needs of Aboriginal tenants and some CALD tenants.

5.2. How have tenants' perspectives, experiences or interests been reflected in the design and implementation of the Future Directions Strategy?

5.2.1. Tenant input into the Future Directions Strategy was mostly gathered prior to the policy being announced

According to the analysis of public, internal and confidential documents related to the development of the Future Directions Strategy, most information from tenants was gathered in the years leading up to the public announcement of the policy. The key consultations that included tenants were held between November 2014 and May 2015. Subsequent engagement with tenants was undertaken specifically in relation to the development of SAHF in 2015 (prior to the publication of the *Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund* in September 2015). A proportion of the documentation that we received included surveys and consultations with tenants in relation to the SIIs in 2017-2020, however these were largely activities done to evaluate the SIIs and to assess whether to extend them rather than consultations done to inform the design of these programs. There are references within the consultations done in 2014 and 2015 to ideas that eventually became the SIIs, however, there is no documentation to illustrate how ideas raised in the early consultation process were or were not integrated into the SII programs. See Table 5.1 for further details.

Table 5.1 Timing of information-gathering activities related to the development of the Future Directions Strategy

Information gathering activities (publications and consultations)		Date	Policy Implementation
		Feb 2013	Internal discussion papers developed by NSW government (Family and Community Services)
Social Housing in NSW: A Discussion Paper for Input and Comment	Commencement of public consultations in relation to the Social Housing in NSW publication	**Nov 2014**	
	Conclusion of public consultations in relation to the Social Housing in NSW publication	**Feb 2015**	
		Mar 2015	SAHF established via MoU between NCOSS, IPA and NSW Gov
What We Heard: A Summary of Feedback on the Social Housing in NSW Discussion Paper		**May 2015**	
Thinking About the Future: Social Housing in NSW, Report from the Social Housing in NSW Forum	Consultations for Thinking about the Future conducted		
	Consultation for Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund begins	**Jun 2015**	
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund	Consultation for Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund ends	**Sept 2015**	
Future Directions for Social Housing in NSW		**Jan 2016**	SAHF launched
		Jul 2016	Rent Choice (SII) commences
Social and Affordable Housing NSW Fund Bill 2016: Bill introduced on Motion by Ms Gladys Berejiklian, Read a First Time and Printed		**Sept 2016**	NSW Treasurer introduces the Social and Affordable Housing Bill
		2017	Youth Development Scholarships (SII) commence
			Youth Mentoring Program (SII) commences
Overview of Opportunity Pathways Stakeholder Engagement		**Jul 2018**	
		Oct 2018	First SHMT transfer
		2019	Youth Mentoring Program (SII) concludes

Information gathering activities (publications and consultations)		Date	Policy Implementation
Final report: Evaluation of FACS' Scholarship and Pilot Mentoring Program for Students Living in Social Housing		**Jan 2019**	
		Mar 2019	Opportunity Pathways commences
	Consultation undertaken to inform The Place Plans Program Legacy Report	**Sept 2019**	Second SHMT transfer
Department of Communities and Justice (DCJ) Scholarships Exit Survey Data (Youth Development Scholarships Program)	Surveys done to inform DCJ Scholarships Exit Survey Data in 2020	**2020**	
The Place Plans Program – Legacy Report: Improving the Lives of Disadvantaged Social Housing Residents		**Aug 2020**	
		Jul 2022	Opportunity Pathways – redesigned version commences

5.2.2. A range of methods were used to solicit information from tenants, though improvements could be made to ensure a wider range of tenant voices are included

The methods used to solicit information from tenants or prospective tenants to inform the Strategy included face-to-face consultation sessions, roundtables, focus groups, written submissions and discussion forums. One report drew on direct consultation with tenants, though very little detail was provided about the number of social housing tenants consulted and whether the consultation was one-on-one or as part of a group. The document outlining the ministerial debate about the SAHF report drew considerably on anecdotal evidence from personal encounters that Ministers and their offices had with social housing tenants. See Table 5.2 for details.

Our analysis of the public documents demonstrated a lack of clarity on how or if the needs of diverse tenants were considered through the consultation processes. For example, none of the reports outline a specific process used to solicit information from Aboriginal tenants or tenants of CALD backgrounds. In the case of Aboriginal tenants, this is particularly striking given that the *Social Housing in NSW: A Discussion Paper for Input and Comment* provides considerable data and analysis about this group, noting that "across, social housing, Aboriginal households are overrepresented" (p.22), and at the same time have a demographic profile that differs from mainstream tenants (i.e. more likely to include single parents with dependent children, be younger and be reliant on welfare payments as an income source). The *What we Heard* report integrated comments from written submissions from organisations working with Aboriginal tenants and from a participant in a 'Working with Aboriginal Clients Round Table'. DCJ staff involved in the development of the Strategy confirmed that it was not possible to respectfully engage with the

Aboriginal community due to the exceedingly short timeframes available to them (DCJ staff, personal correspondence, August 2022).

Table 5.2: Methods of soliciting information from tenants

Document (Date)	Program focus	Methods of soliciting information from tenants
Social Housing in NSW: A Discussion Paper for Input and Comment (Nov-2014)	General	The methods are not outlined explicitly in the document itself. But looking through the 5 internal discussion papers that preceded this document, the key methods used to develop the ideas underpinning this discussion paper included: • Statistical analysis of demographic, health, and income data about tenants of social housing in NSW • Developing a theoretical framework around vulnerability, using that to define vulnerability in the context of social housing, and considering how factors such as personal responsibility and mutual obligation contribute to overcoming vulnerability • Analysing the way government policy and the private housing market interact with people's vulnerability The key data about tenants came from the statistical data. There was **no direct consultation with tenants** at this stage of the process of developing the Strategy.
What We Heard: A Summary of Feedback on the Social Housing in NSW Discussion Paper (May-2015)	General	Face-to-face consultation sessions, roundtables and focus groups. Written submissions were also accepted during this time through an online platform
Thinking About the Future: Social Housing in NSW, Report from the Social Housing in NSW Forum (May-2015)	General	This report was based on a public forum held with 200 stakeholders, which included social housing tenants. They were divided into groups and invited to respond to five key questions (see Table 2.5).
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund (Sep-2015)	SAHF	The data collection methods for this report included direct consultation with a range of stakeholders, including tenants. The other stakeholders consulted were representatives of the social sector, CHPs, developers, investors, banks, finance advisors, urban planners, social housing researchers and Ministerial advisers. Secondary data based on surveys with tenants was also used.
Social and Affordable Housing NSW Fund Bill 2016: Bill introduced on Motion by Ms Gladys Berejiklian, Read a First Time and Printed	SAHF	The references to tenant voice and experience in this document are primarily anecdotes and stories told by Members of Parliament based on their own personal, or their offices', engagement with social housing tenants.
Future Directions for Social Housing in NSW (2016)	General	This document makes a single reference to consultations with tenants undertaken in 2014 and 2015 in relation to one issue (i.e. disincentives to work).
2017 FACS Scholarships Review: Outcomes of Feedback from Stakeholders Involved in the Delivery of the 2017 FACS Scholarship Program (2017)	Youth Development Scholarships	No data collected directly from tenants
Overview of Opportunity Pathways Stakeholder Engagement – D18/1027674 (Jul-2018)	Opportunity Pathways	Consultations through written submissions, public forums and public discussion groups
Final Report: Evaluation of FACs' Scholarship and Pilot Mentoring	Youth Development Scholarships	Surveys of scholarship recipients

Document (Date)	Program focus	Methods of soliciting information from tenants
Program for Students Living in Social Housing (Jan-2019)		
FACS Housing and Homelessness Strategy Steering Committee (Feb-2019)	Rent Choice	No data collected from tenants for this document.
Department of Communities and Justice (DCJ) Scholarships Exit Survey Data (2020)	Youth Development Scholarships	Surveys of scholarship recipients
The Place Plans Program – Legacy Report: Improving the Lives of Disadvantaged Social Housing Residents (Aug-2020)	Place Plans	References the (Future Directions SII) evaluation by ARTD undertaken between July-September 2019 which included resident surveys and focus-groups.
Opportunity Pathways Integration - Evidence Summary (NA)	Opportunity Pathways	Tenant surveys

Data about tenants of CALD backgrounds were not integrated into the analysis underpinning the *Social Housing in NSW: A Discussion Paper for Input and Comment*, suggesting this group was not a priority cohort for policy makers at the time and/or that reporting on the CALD status of tenants who participated in consultations was challenging or not possible. Due to potential English language difficulties, tenants of CALD backgrounds are more likely to have found it challenging to articulate their perspectives and experiences through written submissions and participation in public discussions, the primary methods used for the consultation processes held in 2014 and 2015. Our analysis did not find evidence that key documentation, such as the *Social Housing in NSW: A Discussion Paper for Input and Comment*, were provided in languages other than English and there is no evidence of the use of translation or interpreting services at the public consultations in any of the reports about these processes. In the *What we Heard* document, only two comments were made in reference to the specific needs of CALD tenants, likely reflecting the lack of engagement of CALD tenants in these consultation processes.[45] The lack of processes to include CALD voices in the consultation is significant because although they comprise a comparatively small component of social housing residents, CALD tenants may experience all the forms of vulnerability that other social housing tenants experience, but potentially face the additional challenges of isolation due to limited English language skills and fewer connections within the local community.

Other diverse groups whose needs are not explicitly reflected in the documents analysed for this evaluation include LGBTQIA+ tenants[46], tenants who have recently left prison, and single parents.

Tenants with disability are the one significant exception. Disability status was mentioned in the statistical analyses done to inform *Social Housing in NSW: A Discussion Paper for Input and Comment*, and there is recognition of the specific

[45] An example of how the CALD community of tenants could be engaged, can be found on the National Disability Insurance Scheme web pages: https://www.ndis.gov.au/about-us/strategies/cultural-and-linguistic-diversity-strategy.

[46] Research from the UK has found that a large proportion of LGBT*Q social housing tenants do not feel safe in their neighbourhood and do not feel a sense of belonging (see https://www.surrey.ac.uk/news/new-research-reveals-concerns-lgbtq-residents-social-housing). Similar issues are likely faced by LGBTQIA tenants in Australia.

challenges that people with disability face in relation to housing. The consultation process underpinning the *Thinking About the Future* report indicates that disability advocates were specifically invited to participate in the discussion, however no mention was made of any methods used to ensure the consultation process was accessible to all people with disability. It is also unclear whether any further specific consultation with people with disability or their representatives was done to inform the development of the Strategy. Finally, despite greater awareness of and engagement of people with disability, it is not clear in the documents analysed for this evaluation what the specific input of people with disability has been to the Strategy.

5.2.3. Tenant input shaped many parts of the Strategy, though there was a lack of clarity on how and why some elements of tenant input were considered and others were not

Across the public and confidential documents that we analysed, there was a broad range of different perspectives, experiences and interests expressed by tenants. To link this wide variety of views to specific parts of the Future Directions Strategy, we analysed how tenant[47] "interest" and/or tenant "voice" were used in these documents to justify the specific elements of each of the programs (SAHF, SHMT and LAHC FDI) and each of the Service Improvement Initiatives (Opportunity Pathways, Place Plans, Rent Choice, Youth Development Scholarships, Early Childhood Education Services). See Table 5.3 for an outline of the elements of the programs and SIIs.

Table 5.3: Elements of SAHF, SHMT, LAHC FDI and the SIIs

Program Area/SII	Elements
SAHF	• New social and affordable housing in regional and rural areas (as well as urban) / New social housing units / Affordable and social housing • More appropriate (fit-for-purpose) dwellings • Tailored Support Coordination • Tenancy management by non-governmental organisations • Accountable to achieving Social Housing outcomes for tenants
SHMT	• Tenancy management by non-governmental organisations • Accountable to achieving Social Housing outcomes for tenants
LAHC FDI	• Redevelopment of existing social housing stock through public-private partnerships • Community integration (mixed tenure communities), and a 70:30 ratio of private to social housing in the new developments • Affordable housing, in addition to social housing (LAHC) • Modern redeveloped dwellings • Social housing dwellings that look the same as neighbouring private dwellings • Proximity to good amenities, transport, employment, education, community services • Tenancy management by non-governmental organisations • Accountability to helping tenants achieve outcomes[48]
Opportunity Pathways	• A program that provides support to social housing tenants and their household members, approved social housing applicants and Rent Choice subsidy recipients to find or increase employment

[47] Participants in the SIIs were not necessarily tenants, however we use the term 'tenant' rather than 'participant' in this section because at the time the Future Directions Strategy was being developed, the key end-users involved in the consultations to inform the Strategy were tenants, former tenants or prospective tenants.
[48] See the previous footnote.

Program Area/SII	Elements
Place Plans	• Evidence-based, place-based approach designed to work in partnership with communities • Place-based projects in social housing communities experiencing significant levels of disadvantage[49]
Rent Choice	• Suite of private rental assistance (PRA) products to support households gaining access to the private rental market • Provides up to three years of support alongside access to services, and training and employment opportunities • Five Rent Choice products targeted to specific cohorts: Start Safely, Youth, Assist, Transition and Veterans
Youth Development Scholarships[50]	• $1,000 scholarships to support vulnerable young people to stay at school by enabling access to relevant equipment or money for excursions • Trial of 30-hour mentoring program for a small cohort
Early Childhood Education Services	• Locally-driven models of delivering accessible, affordable and quality childcare to public, community or Aboriginal housing tenants

In the context of this analysis, tenant "interest" refers to broad statements in which the needs and wants of tenants are invoked but not supported by clear reference to how they were derived. Tenant "voice", on the other hand, is derived from surveys, interviews, consultations or other forums in which tenants have been able to directly communicate their perspectives. As such, references to tenant interest do not have the same weight as references to tenant voice in our assessment of how end-user client needs were borne in mind for the design of Future Directions Strategy.

One key finding of this analysis is that across all the public and confidential documents, **we were able to find evidence that tenant voice influenced each element of SAHF, SHMT and LAHC FDI**, though some programs were grounded in more evidence of tenant voice than others (see Tables G.1, G.2 and G.3 in Appendix G). In the case of the SAHF program, we were able to identify evidence that tenant voice influenced each of the seven elements in at least two, but in most cases three, of the public documents. There was substantially less documentation of tenant interest and voice in relation to SHMT compared to SAHF, however the evidence of tenant voice for the two elements of this program was reasonably strong. Of the eight elements of the LAHC FDI program, four were strongly influenced by the use of tenant voice, and the other four were supported by the use of tenant voice in at least one of the documents. For further details about the connections between what tenants stated during consultations and the Future Directions Strategy policy documents, see Section 5.2.4. See also Appendix G for a detailed overview of this analysis.

A second key finding of our analysis is that the rationale for **most SIIs was developed primarily based on tenant interest, rather than tenant voice** (see Table G.5 in Appendix G for details). The main source of tenant voice underlying the elements of the SIIs was the *What We Heard* and *Thinking About the Future* reports. In these reports, we found only generalised requests for support in the areas of employment and accessing social support and other services. There was little mention of the specific details of how these broad requests would be translated into

[49] The goals of these place-based projects included: building life skills, resilience and community engagement to break down stigma and foster community leadership; access to effective and coordinated services; creating a stronger and safer community; supporting community pride within Aboriginal communities; and, improved physical environment.
[50] Formerly Scholarships and Mentoring.

the specific initiatives. Additionally, we had limited access to any confidential or internal documents from prior to the establishment of the SIIs. Most of the documents provided to us were evaluations of the SIIs, after their establishment and a period of implementation. As a result, we conclude that tenants' interest rather than their voice was the primary rationale for each of the SIIs. Appendix G provides further details of this analysis. However, as Place Plans was a place-based approach designed with input from community consultation, this initiative had a direct link to tenant voice.

In our analysis, we also identified multiple suggestions made during the consultation processes that were not, as far as we are aware, included in the flagship policy document – *Future Directions for Social Housing in NSW* – or in the specific programs or the SIIs. These suggestions are outlined in Table 5.4. In some cases, tenant suggestions are implemented in other contexts. For example, "Tackling anti-social behaviour to improve security and safety" is part of "business as usual" and local implementation strategies, Housing First informs several homelessness programs, and a Foyer model is also a key initiative being implemented under the current homelessness strategy. In other cases, suggestions may not be feasible.

Table 5.4: Tenant recommendations not explicitly integrated into SHMT, LAHC FDI or SAHF programs or in the SIIs by August 2022

Document	Tenant recommendations that were <u>not</u> integrated into the SAHF, SHMT or LAHC FDI programs, SII, or captured in the *Future Directions for Social Housing NSW* document
What we Heard*?: *A summary of feedback on the Social Housing in NSW Discussion Paper	• Housing that is consistent with Aboriginal culture and kinship structures • Changes to communications that accommodate people who have low literacy, or who are homeless/in unstable housing • Accommodation and better links to support for people with mental health issues • Rental voucher system • A suite of processes to limit anti-social behaviour (e.g. 'three-strikes' policy, tenancy agreements that outline consequences of anti-social behaviour) • Regulatory reform that would improve affordability and security of tenure in the private rental market
Thinking about the Future	• Improving communication and engagement with tenants • Tackling anti-social behaviour to improve security and safety • Shared equity as a way of keeping people in the neighbourhood once they have employment • Foyer model • Create incentives that support transition to private rental market (e.g. uncoupling income from rent, creating a time-based safety net for those moving into the rental market, other kinds of support for those leaving social housing, facilitate long term leases).
Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund	• Specific features and models (e.g. Housing First, long-term housing for Aboriginal families, and the Foyer Model) • Homeowner and shared equity units in developments • Physical design ideas (e.g., universal design, energy efficient design, and audio/visual privacy)

Based on the documentation made available to us, it is challenging to make definitive conclusions about why some elements of tenant input were integrated into the Strategy and others not. Our analysis highlights that **the flagship policy document – *Future Directions for Social Housing in NSW* – has the weakest**

basis in tenant voice of all the documents we analysed.[51] In this document, evidence based on tenant interest, rather than on tenant voice was used as a rationale for the reform, despite there being ample evidence in other documents that tenant voice influenced almost all programs. In doing so, *Future Directions for Social Housing in NSW* obfuscates the aspects of the Strategy that were borne from the direct input of potential end-users. The effect of this is to not only render invisible the ways tenant voices are reflected in the Strategy development, but to also make it difficult to identify the suggestions tenants made that were, or were not, integrated into the Strategy (see Table 5.4). As a consequence, it is difficult to understand or provide an explanation as to why some aspects of tenant voice and interest were borne in mind in the Strategy development process, and others were not. It is important to note that not all tenant input will be reasonable, feasible or even within the control of what NSW government or CHPs can offer. However, it is important that regardless of the quality and feasibility of the feedback, a sound rationale and response is provided for whether and how input has been used. Such an approach is consistent with the NSW government's own commitment to the principles of public participation as outlined in the *Charter for Public Participation*, in which it explicitly states that providing feedback is "essential" because it can strengthen relationships with public stakeholders and "sends the message that the participation was worthwhile, and that the feedback or input received is valued" (Information and Privacy Commission NSW, 2018, 21).

5.2.4. Input from tenants highlighted the specific needs of particular demographic groups and provided insight from the lived experience of people using social housing

Without information about the internal processes that contributed to the development of the Future Directions Strategy, our ability to understand what changes to the Strategy were made based on the information received from tenants is limited to what we have been able to ascertain from analysis of public, internal and confidential documents made available to us by DCJ. These documents allow us to make limited comment on the following changes made to the Strategy based on information from tenants:

A) How tenant input contributed to changes made to the overall strategy as documented by the publication of the 2014 paper *Social Housing in NSW: A Discussion Paper for Input and Comment* and the 2016 public overview of the Future Directions Strategy, *Future Directions in Social Housing in NSW*

B) The influence of tenant input on the development of SAHF

We do not have evidence to track how tenant input may have changed SHMT, LAHC FDI or the SIIs during the Strategy development phase.

How tenant input contributed to changes made to the overall Strategy

See Section 2.5.4 for an overview of the process used to gain insight into the way tenant voice contributed to changes to the Future Directions Strategy between 2014 and 2016.

The findings below demonstrate one mechanism through which tenant voice contributed to shaping certain elements of the Future Directions Strategy, though

[51] Analysis of this document demonstrates that tenant voice was only used two times – to describe disincentives to work (p. 14), and to describe tenants' dissatisfaction with social housing in NSW compared to other jurisdictions (p. 20).

there may have been other pathways not captured in the documents we analysed for this evaluation. Our analysis suggests that input from tenants helped to add nuance to certain aspects of the Strategy by highlighting the specific needs of particular demographic groups and providing insight from the lived experience of people who are affected by this policy (see Table 5.5).

Table 5.5 Mapping changes made in response to tenant input

Issue	*Social Housing in NSW: A Discussion Paper for Input and Comment*	Tenant input from consultation processes	*Future Directions for Social Housing in NSW*
Assumptions about how long social housing tenants will require support	This document assumed that all tenants should, in theory, be able to transition out of social housing with adequate support.	Extensive discussion about the different kinds of needs of tenants, recognising that some will require ongoing support with housing, and that others may be in a better position to transition.	Presents an explicit definition of social housing tenants that differentiates between – 'safety net' group who require extended support, and the 'opportunity group' who can be supported to become more independent.
Supporting independence of clients	Supporting clients to be independent was focused mostly on offering products and services to increase their ability to access education, employment, training opportunities.	Disincentives to working more exist and need to be removed. More support and safety nets are required to make the transition to private rental possible.	Introduced the idea of removing work disincentives. Proposed the idea of a range of private rental assistance programs, and affordable housing as a way of transitioning to the private market.
Anti-social behaviour	Recognised this was a problem, proposed making "expectations and recognition of responsible tenant behaviour" clearer (p. 30).	Anti-social behaviour has a significant impact on the experience of living in social housing, and the reputation of social housing in the wider community. A range of suggestions made about how to address it in a stronger and more consistent way.	Proposes an antisocial behaviour policy, which includes a 'one strike' and 'three-strike' policy for antisocial behaviour and a mechanism for other tenants to contribute statements to the Tribunal process.
Rental products	Focus is on creating rental models that will give tenants more choice of housing.	Feedback was that products that provide rent assistance were important – eligibility criteria needed to be tightened, and for certain groups these criteria did not work well (e.g. young people)	Proposed boosting existing rental products and introducing some new ones that targeted the groups identified through consultation.

The influence of tenant input on the development of SAHF

We were able to conduct a limited analysis of how tenant input contributed to shaping the SAHF program by drawing on the results of the consultation reported in *Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund*.[52] To understand the extent to which the findings of this consultation contributed to changes in the Strategy, we first examined the elements of SAHF to see which were represented in the 2014 document *Social Housing in NSW: A Discussion Paper for Input and Comment*. We found that very little detail

[52] Similar consultations were not done, as far as we are aware, in the lead up to the design of the SHMT or LAHC FDI programs.

pertaining to the SAHF program was outlined in this document. A subsequent review of *Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund* in which we cross-checked for reference to any elements of SAHF revealed that one element was introduced in this report, a second one was reinforced and the remainder were either not mentioned or included references to ideas for SAHF that were not reflected in the elements that made up the program. See Table 5.6 for further details.

This analysis demonstrates that tenant input did contribute in a small way to changing the policy but can provide only very limited insight into how this process may have occurred.

Table 5.6: Comparison of documents related to SAHF

Elements of SAHF	*Social Housing in NSW: A Discussion Paper for Input and Comment*	*Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund*
More appropriate (fit-for-purpose) dwellings	No mention of this	Introduced the term 'fit-for-purpose'
New social housing units	No mention of this	No mention of this
Tailored Support Coordination	Commitment to understanding client needs in order to tailor programs and services.	Reinforces the importance of 'wrap around services'. Referring to the need for access to support services and case management for particular social housing client groups.
Affordable and social housing	No mention of this	Participants advocated for social and affordable housing
Tenancy management by non-governmental organisations	No mention of this	No mention of this
Accountable to achieving Social Housing outcomes for tenants	Recognition that stable and safe housing can improve outcomes.	No mention of this
New social and affordable housing in regional and rural areas (as well as urban)	No mention of this	Suggestion that regional developments make use of local developers and workers, rather than bringing in people from the city.

5.3. Implications of these findings

Analysis of a series of public, internal and confidential documents demonstrates that tenant perspectives were considered in the development of the Future Directions Strategy. The evidence available to us suggests that this input was primarily solicited at the beginning of the Strategy development process and was related to the broad concept of social housing, as opposed to specific aspects of the Strategy. We were able to access evidence of one specific consultation related to the SAHF program, and due to similarities between some elements of SAHF and LAHC FDI we were able to extrapolate findings to these areas. However, we were not able to find evidence that tenants' input was solicited consistently across all programs or consistently over the duration of the Strategy's development process. The implications of these findings relate to how tenants can continue to be consulted in future evaluations or iterations of this Strategy in a way that is consistent with the NSW government's commitment to public participation:

- The findings of this evaluation indicate that there are benefits in **establishing a process by which tenants can contribute multiple times** throughout the Strategy development process.[53] The NSW Charter for Public Participation outlines the importance of ”maintaining engagement throughout the [consultation] process” and argues that the failure to do so ”has the potential to negatively impact on stakeholders and/or stakeholders’ relationships” (Information and Privacy Commission NSW, 2018, 20). In the case of Future Directions, more regular opportunities for tenants to contribute to the development of the Strategy would have allowed them to provide input into ideas as they evolve and would encourage policy makers to provide justification for decisions that are made at different stages of the process.
- Our findings also indicate that it is important to consider a **variety of methods of engaging tenants** to ensure a diverse range of voices and experiences are recorded and reflected in the development of a strategy and its implementation processes. This suggestion is also consistent with the NSW Charter for Public Participation, in which “inclusion” is identified as a key principle for public engagement. Specifically, the Charter states that “special support is provided for traditionally excluded groups” (Information and Privacy Commission NSW, 2018, 10).
- If through consultation processes tenants make suggestions or recommendations that cannot be implemented, there might be value in **developing a mechanism to explain what aspects of input are made part of the Strategy and what aspects are not feasible and why**. Transparency is an important element of ensuring tenants continue to be engaged and develop and retain a sense of empowerment. A process of clear and transparent communication is particularly important for issues that tenants identify as problematic and that are not addressed. Again, this is reinforced by the NSW Charter for Public Participation, which also includes “accountability” as a key principle. It states that it is essential that “participants receive feedback about the outcome of the process and how their input was used” (Information and Privacy Commission NSW, 2018, 10).

As the Future Directions Strategy continues to be implemented, our results demonstrate that there is value in continuing to engage tenants, as their day-to-day lives and their futures are affected substantially by the outcomes of this process.

[53] It is possible that consultations with tenants occurred in addition to the processes described in the documents we analysed for this part of the evaluation, but at the time of writing, we had not been provided with evidence of these consultations.

6. Lessons learned and recommendations from the Strategy evaluation for future social housing policy

Lessons and recommendations in this section have been organised in three categories in the following order:

- the design of the Future Directions Strategy and social housing policy,
- program design and implementation, and
- future evaluations of these programs and initiatives.

6.1. Design of the Future Directions Strategy and social housing policy more generally

6.1.1. Lesson 1.1: Social housing policy could be strengthened by ensuring information on effective policy is available and integrated into policy design

While research evidence is only one of many inputs relevant to policymakers, it is a crucial factor in designing effective policy that can be implemented at scale. We found that not all types of evidence were used explicitly in Future Directions policy development (i.e. evidence exploring burden or cause was prominent, but not 'what works'), and that evidence relied on was almost exclusively from internal data analysis or evaluation. It is recommended DCJ explore ways to make evidence use more explicit and transparent, and to invest in creative ways to enable timely access to robust, reliable and relevant evidence.

Recommendation A: Codify tacit knowledge and evidence used in the development of social housing policy

Knowledge used in the development of Future Directions policy appeared to be tacit rather than explicit (e.g. statements were not referenced to research evidence). Tacit knowledge can reduce explicit sharing of effective social housing policy. NSW government should codify tacit knowledge to ensure accuracy in knowledge transfer and develop a standard of the explicit inclusion of evidence in policy to improve outcomes for the social housing sector into the future.

Recommendation B: Invest in research partnerships that deliver evidence on the effectiveness of social housing policy

Current research partnerships may not be delivering the type of evidence required to develop effective policy in social housing and improving tenant outcomes. Addressing this critical knowledge gap in effective intervention could be enabled by partnerships with researchers (e.g. through AHURI, secondments or expert commissions). DCJ has a long-standing arrangement with AHURI through funding and input into AHURI's annual national research agenda. This partnership could be

further leveraged to include a stronger focus on effective policy and 'what works' in improving outcomes.

Recommendation C: Base future social housing policy on evidence of effective policy and 'what works' in improving tenant outcomes.

Research on causes and burden guides policy targeting; research on effectiveness guides what that policy should look like. Future Directions policy relied on research, primarily internal to government, that helped to describe the case for social housing system change but not what this change should look like. There seemed to be a lack of (use of) explicit evidence on the most effective ways to intervene to improve tenant outcomes through social housing. Research demonstrating the effectiveness of policy should form the bedrock of any social housing reform.

6.1.2. Lesson 1.2: The Future Directions Strategy could have been strengthened by greater engagement with end-users during the design phase

The NSW government's *Charter for Public Participation* indicates that engaging with communities can benefit government agencies by contributing to better insight into community needs, more effective risk management, stronger and more trusting relationships with the community and more efficient and effective public spending and services (Information and Privacy Commission NSW, 2018). Our findings indicate that while tenants were consulted as part of the process of developing the Future Directions Strategy, there is scope for stronger public engagement and greater transparency with the public regarding decisions made with input provided by the community.

Recommendation: Future social housing policy design should include greater public engagement and more transparency

Future policy design processes should include mechanisms that would allow tenants to provide input into ideas as they evolve, which would encourage policy makers to provide justification for decisions that are made at different stages of policy development. These mechanisms should be designed to include a variety of methods of engaging tenants, to ensure a diverse range of voices and experience are recorded. In addition, the government should be prepared to communicate to those with whom it consults as to the aspects of their input that were included, and the aspects that were not feasible and why.

6.1.3. Lesson 1.3: On the current evidence, it is not clear which models of social housing provision are most effective

Although much has been learned as part of the program and initiative evaluations, more time is needed to assess longer-term impacts which may differ from the immediate short-term impacts that were observed during the first one to three years (see Lesson 1.4 below). For example, from the evaluation, it is clear that new, high-quality housing (as provided through SAHF and LAHC FDI) has a strong positive impact on tenant satisfaction but it is less clear whether it also has a positive impact on tenant outcomes like health, education and employment (which likely need more time to become evident). It is thus unclear whether such additional benefits would compensate sufficiently for the higher cost of SAHF and LAHC FDI relative to standard social housing.

It is also likely that different models are effective for different groups of people, as we have found different impacts for different subpopulations (e.g. education and employment programs should be an important component when servicing younger tenants who may be able to exit social housing through employment, while a focus on health may be more important for older tenants and tenants with a disability). As a result, a mix of different models is likely to be ideal with the key question to answer being "in what proportions the different models should be present". An example is the provision of social housing versus Rent Choice, where the latter depends on the tenant's ability to sustain market rent (e.g. through employment) which is not suitable for retired tenants but potentially appropriate for young tenants. These two approaches to providing housing assistance clearly need to co-exist as highlighted below in Lesson 1.7.

Recommendation: Continue evaluation in the future

An evaluation framework has been developed as part of this short-term evaluation, including the extraction of relevant administrative data and methodology to construct comparison groups, that can be used again in future evaluations. The available time frame was particularly short for the outcome and economic evaluation, which was most acutely felt in the LAHC FDI evaluation where a relatively small proportion of the planned additional dwellings had been delivered so far. Therefore, evaluative focus on implementation was, in many respects, too early for this program as well. Given the delays in delivering LAHC FDI dwellings, and implementation being an ongoing process, implementation evaluation should also continue for this program as more new dwellings will be delivered in future years.

Section 6.3 provides a number of recommendations to improve these future evaluations.

6.1.4. Lesson 1.4 : There are no quick fixes

Provision of social housing with additional support can be life-changing for tenants but social housing by itself is unlikely to be able to address all aspects of the often complex disadvantage experienced by tenants, although it can be a first important step. Employment programs such as Opportunity Pathways that connect people to work or programs addressing mental health issues are likely to be essential in helping people to improve their outcomes. These types of programs are likely best provided by specialised health- or employment-focussed (NGO) service providers.

Recommendation: DCJ to establish a cross-departmental working group to address disadvantage in a multi-pronged way, ensuring tenants' access to complementary support programs delivered by other departments

A cross-departmental working group consisting of experts in all relevant areas could work together to target the often multiple disadvantages and issues faced by social housing tenants with the aim of decreasing tenant dependence on social housing and income support in the long-term. Ensuring that tenants have access to complementary support programs delivered by the relevant NSW Department as soon as they enter the social housing system could leverage the housing security obtained through social housing tenancies. Such complementary programs could assist tenants now that they have housing stability to complete more education or training, and enter employment, perhaps through an employment program at first, but ideally leading to continued independent employment. Not all tenants will be able to achieve full independence of the welfare system but they may, for example, gain

part-independence by accessing part-time work. This endeavour demands inter-departmental attention and collaboration given the increasing demand for and cost of social housing to society.

6.1.5. Lesson 1.5: Increasing social housing supply is a slow process, but better communication with councils and the wider community could reduce delays

Interviews with several LAHC FDI stakeholders indicate that very long lead-in times are required for large building and redevelopment projects to come off the ground. It is clear that the delivery of LAHC FDI project dwellings is running far behind schedule. Interviewed council stakeholders reported perceiving an opportunity for better communication of the intended outcomes of projects beyond the development of dwellings themselves. Communication of the benefits of mixed communities (70% private rental, 30% social housing) would assist in bringing councils and existing community members on board and play a role in reducing project delays. Clearer communication and detailed understanding of the outcomes and priorities among different stakeholders, as well as tenants, when developing these programs could help to get stakeholders on side. Starting these conversations early with all stakeholders would provide everyone with the opportunity to shape the goals and objectives of new projects which would likely lead to smoother implementation and better outcomes.

In particular, it is LAHC FDI Major Projects, which should have been delivering a large proportion of the additional social housing in Future Directions, that is falling behind. Approvals of State Significant Developments were moved from the Department of Planning and Environment to local councils in 2019. Local council processes are causing significant delays to Major Projects which generally rely on rezoning and an uplift in density for feasibility.

Giving the high need for additional social housing, finding ways to expedite the various stages of the planning, approval and building processes is crucial in order for the supply to catch up with the demand, and start reducing the long waiting lists for social housing.

Recommendation A: DCJ/LAHC to develop clear and engaging multi-media communication strategies that demonstrate the benefits of a project to the entire community

Socialisation of the benefits of a specific project and the experiences with similar projects elsewhere in Australia and internationally (if available) would build support for new projects, reduce planning objections and reduce the potential for delays. The strategy would need to be an engaging public information campaign suitable for dissemination across the communities and neighbouring areas in which a project is planned. Placement in social media would likely be an appropriate component.

Recommendation B: Develop a local council engagement plan, and engage early and establish strong relationships with local planning authorities

While acknowledging that some of the delays in LAHC FDI projects may have been due to COVID19 and subsequent supply chain problems, engaging early with all relevant stakeholders and establishing strong relationships with local planning authorities can work to reduce delays and allow preparation stages to run more smoothly. Engagement with councils right from inception and continuing throughout

the planning and implementation period would allow for a more collaborative approach and lessen the potential for delays in approvals.

This is also an area where better collaboration between different levels of government could help to reach the common goal of reducing housing stress and the risk of homelessness for local residents, as well as potentially reducing low-level criminal activity that may be associated with rough sleeping, which would benefit the broader community. In addition to the cross-departmental working groups (mentioned under Lesson 1.4 above), a working group across different levels of government (Commonwealth, state, council) could ensure that common goals are identified and worked towards collaboratively. Councils can also be allies when presenting plans to the broader community. However, in some clearly defined instances, higher-level government should be able to override council objections if this is in the broader interest of the NSW population; this could prevent stalling of important projects to extend the stock of affordable housing due to local objections. This leads to the next recommendation:

Recommendation C: Consider re-centralising approvals for major projects

The re-centralisation of approvals for large projects away from councils to the state government, with appropriate consultation with local stakeholders, is likely to result in a more stream-lined and faster approval process.

6.1.6. Lesson 1.6: Impacts of SHMT are very different for existing and new tenants, and the costs are not (yet) outweighed by the benefits

Our evaluation of the initial period of the SHMT program shows a mix of impacts for tenants, and that it experienced some early implementation challenges. Different impacts of SHMT for existing and new tenants are best summarised by the cost-benefit analyses for the two groups. The Cost-Benefit Analysis shows that SHMT is more expensive than continuing public housing management and there are substantial disbenefits associated with SHMT for existing tenants (leading to a negative Benefit-Cost ratio of -0.68) that are not outweighed by the benefits for new tenants (where the BCR is 1.25). The overall BCR is 0.04 with a net present cost over the first 10 years of just under $31 million dollars or $862 per tenant. This is due to increased health services use and an increase in evictions (as a result of tenancy breaches). At this early stage, there is no evidence of positive impacts on education, and employment could not be reliably measured. Although the difference in the BCR for new and existing tenants may be partly due to differences in tenant composition for the two groups, tenant interviews suggest that it is at least partly due to the disruption caused by the transfer. There is some evidence (within the limited period of observation) that the impact of this disruption dissipates over time, but this needs to be revisited at a future time, checking in with tenants again through interviews to determine whether their experience has improved.

Recommendation: SHMT should continue to run its current course and further evaluation of medium- and longer-term outcomes undertaken, with improved measurement of outcomes before deciding on further management transfers

Although the transfer did not negatively affect new tenants allocated to the SHMT dwellings, existing SHMT tenants were negatively affected. Robust evidence of benefits to tenants needs to be built before more management transfers are considered. For example, it will be critical to closely monitor health outcomes in

future years to assess the longer-term impacts and determine whether health is likely to improve in due course as a result of the additional service use, leading to lower expenditure in the longer term. Longer term evaluation is particularly needed to identify whether sufficient benefits arise over time for tenants who experience the transfer to outweigh the costs. This will also enable evaluation over a more normal period of time, rather than during a pandemic when CHPs' ability to engage with tenants was adversely affected.

Also, COVID-19 has had considerable impacts on students and on our ability to measure education outcomes. With the impacts of COVID-19 waning, a key question is whether positive impacts on education will result. Monitoring employment outcomes is equally important. A further recommendation to improve measurement of this outcome is presented in section 6.3.2 (recommendation C).

Another year or two of data on tenant outcomes (including another set of tenant interviews) is needed to identify whether the negative impacts on existing tenants disappear over time.

If there are to be more transfers soon within NSW, we recommend NSW government review the findings of this evaluation as well as international evidence, given the current lack of medium- and long-term evidence for SHMT, to ensure future transfers are implemented more effectively. In the UK and parts of Europe public housing management transfers have been undertaken and evaluated and there is much to be learned in how they were implemented.

The SHMT Final Report has identified important ways to improve the transfer process for tenants (and thus their short-term outcomes), including better communication and a stronger presence of the Tenant Support Coordination role.

6.1.7. Lesson 1.7: Social housing and Rent Choice assist different populations with few transitions from Social Housing to private rental with Rent Choice

While social housing provides stability and secure housing, especially for older and disabled tenants, Rent Choice provides an alternative to social housing for younger people of working age through financial assistance in the private rental market. However there appears to be little to no overlap between the two types of assistance, despite one of the Rent Choice initiatives being specifically targeted towards social housing tenants. Rent Choice is effective in diverting households from social housing by providing a viable alternative, but it is not effective in assisting social housing tenants to exit to the private rental market.

In tenant interviews in all three Future Directions programs, tenants noted that they were very unlikely to exit social housing. This was independent of whether they were satisfied with their social housing dwelling (like many in SAHF and LAHC FDI dwellings) or not (like many in SHMT dwellings). Tenants provided two key reasons for this: i) they cannot afford private market rent, and ii) the lack of protection/security in the private market compared to the stability of social housing. The second reason is an indication that social housing tenants see exiting social housing as a risk even if they were able to afford market rents at the low end of the private rental market. A lack of renter protection poses the real risk of private market tenants losing their housing at short notice with relatively few alternative opportunities in a highly competitive market in which they may not be the preferred type of tenant.

A further barrier to exiting social housing is that the current social welfare system is designed to assist those on the lowest incomes. As a result, as their incomes rise households face higher implicit marginal tax rates (sometimes in excess of 100%), lose eligibility for various programs, and social housing rents increase. This creates a powerful disincentive for households to seek employment, work longer, seek education which would raise their income and to search for better paid jobs as the immediate benefits of doing so are diminished. Ultimately this system contributes to an intergenerational cycle of disadvantage. These factors, alongside the difficulties low-income tenants face in the current private rental market, result in very limited incentives for households to exit social housing.

Recommendation A: Broader housing reform is needed to provide better alternatives to social housing for low-income households

Without improvements in the conditions in the private rental market, the lack of security will remain a hurdle for social housing tenants wishing to exit social housing, and offering a Rent Choice option tailored to social housing tenants may not be enough to overcome this. With other NSW government departments, DCJ should investigate how to set system-level goals to improve private rental affordability, such as whether and how reforms to the private rental market could be introduced that would improve affordability (by increasing housing supply) and provide better protection for renters (through legal reforms, e.g. limiting the reasons for ending a rental lease). In addition, DCJ should ensure that the pathway to affordable housing is as straightforward as possible, as well as find ways to reduce the risk of exiting social housing by making it easier to return to social housing should this be needed. For example, via an expedited positioning in the Housing Register in the first few years after exit for tenants who find they need to return. In such an environment, Rent Choice may be more effective in assisting social housing tenants to exit to the private rental market.

Recommendation B: Address structural barriers created by the current social housing and welfare system

While some of this recommendation extends beyond DCJ's immediate jurisdiction, where possible DCJ should endeavour to advocate for and facilitate change to improve incentives for social housing tenants. How social housing rents are set in relation to household income is an area that DCJ could re-examine, with consideration given to delays to rent increases when household incomes rise, increasing rent only when increased household incomes are sustained over a set period of time, and rent tapering so that rents increase only slowly in response to an increase in income. The budgetary impacts of such changes would of course need to be assessed.

Recommendation C: Expand the number of social housing dwellings substantially

Looking at the experiences in other countries, the number of social (and affordable) dwellings could be expanded substantially so that secure and affordable housing can be provided to a much larger number of tenants. An example is the approach in the Netherlands where around 4 million people are housed in 2.5 million dwellings managed by large not-for-profit social housing organisations (Aedes – Vereniging van Woningcorporaties; 2016). OECD (2021: 63) reports that 38% of the total housing stock in the Netherlands are social rental dwellings while several other European countries like Austria, Denmark, Germany and France also have substantial proportions of social rental dwellings varying between 15 and 22% of all

housing. Denmark and Austria both use revolving funds to support their long-term investment in affordable and social housing (OECD, 2021: 64). OECD (2023: 17) provides a detailed description of revolving funds as a way to boost investment in housing. A key feature of these funds is that part of rents or loan repayments on affordable and social housing are used to finance new affordable and social housing developments. How dedicated funding mechanisms are established and operate varies across countries (for examples, see OECD; 2023: 17-18).

6.1.8. Lesson 1.8: While there are sizeable benefits of SAHF and LAHC FDI for tenants, they are costly programs

The benefits of SAHF are currently outweighed by its costs. Every dollar spent via SAHF is estimated to produce only 35 cents of benefit. CBA identified that SAHF led to positive outcomes in monetary terms when compared to public housing but only in two areas is there sufficient confidence in the outcome estimates to warrant their inclusion in the CBA. These include reductions in the need for mental health outpatient services and in the need for justice services via reductions in proven court appearances. This leads to a net overall present cost for SAHF of $7,172,892 or $3,502 per person over the first 10 years, with a benefit-cost ratio of 0.35.

There is also a substantial capital cost associated with LAHC FDI that exceeds the (currently) measurable benefits. The outcome analysis reveals sizeable positive effects on the stability of tenancies, resulting in tenants' reduced risk of experiencing homelessness in the years that follow their being allocated to a LAHC FDI Project dwelling and reduced need for homelessness accommodation services. Beyond immediate housing outcomes, the program also has positive impacts on access to primary health care, on children (via reductions in child protection notifications) and on court appearances. These impacts improve tenant welfare and reduce their need for other public services.

There are potentially other (incidental) benefits of SAHF and LAHC FDI that could not be monetised in the cost-benefit-analysis, most notably any quality-of-life improvements that SAHF and LAHC FDI housing offer to tenants. Existing literature however suggests these are likely to be small and wane over time. Also given the counterfactual in the case of LAHC FDI which was LAHC housing delivered in the five years preceding Future Directions, it is unlikely that the quality-of-life improvements relative to this counterfactual would be very large.

It is however important to also consider the distributional impacts of SAHF and LAHC FDI – assessed in the subgroup analysis – alongside the results of the CBA as there are considerable differences in the impacts of SAHF and LAHC FDI Projects across different demographic groups. Society (and government) may judge it worthwhile to invest in projects for which the cost is greater than the monetised benefits if it particularly benefits more disadvantaged segments of society.

Recommendation A: LAHC should opportunistically purchase existing dwellings to increase supply of social housing quickly and cost-effectively

Construction and redevelopment projects may be more costly, time-intensive and much more susceptible to delays and unexpected events (ranging from planning approval delays to the COVID-19 pandemic) than purchasing existing dwellings. A combination of purchasing existing dwellings and new (re)-developments is likely to enable a quicker and more cost-effective expansion of the stock of social housing. It

will not always be cheaper to purchase existing stock but opportunistic purchases should be able to lower costs.

While the purchase of existing dwellings does not add to the overall supply of housing, given the limited availability of affordable rental housing in NSW, particularly in and around Sydney, purchasing existing dwellings allows government to prioritise existing housing stock to those who most urgently need it. The availability of affordable dwellings for purchase and the extent to which the government purchasing of homes would distort prices in an already highly competitive market would need to be taken into account when assessing the feasibility of such purchases. However, given the relatively small dwelling numbers involved, price distortions are likely to be minimal. Further, wider planning and zoning reforms would be more effective in addressing overall housing supply shortfalls.

Recommendation B: DCJ should investigate higher tenant rental contributions

DCJ should investigate ways in which to recoup more of the costs of social housing from those tenants who can afford it. This could be in the form of higher income tenants paying more rent for dwellings which have higher market rents. Such a policy has the potential to (partially) offset the cost of new social housing and so improve the BCR, contribute to the costs of maintenance and make social housing less attractive to those who can most afford to exit, creating incentives for people to leave social housing, consistent with the goals of Future Directions. Over the longer term such a policy would enable more people currently waiting for social housing to be housed. There is a strong equity argument for higher income tenants paying higher rent. With around 56,000 households waiting for social housing in June 2023 (DCJ, 2024), the subsidy given to those in the system relative to the same cohort out of the system on the waiting list may not be best aligned to need.

Overall, a higher contribution by those who can afford it would allow more people to be housed, improve the quality of the dwelling stock and reduce the structural disincentives in the system.

Recommendation C: Do not prioritise a SAHF model over conventional social housing in the short term

Given the benefit-cost ratio calculated for SAHF, and notwithstanding the various limitations of benefit-cost analysis and the short timeframe of the current evaluation, we recommend against investing further in this model until there is strong evidence of greater benefits. Future evaluation covering a longer time period will provide stronger evidence of benefits, or their absence, which will inform whether a SAHF model is worthy of future investment. (See lessons 3.1 and 3.2 below and their recommendations.)

6.1.9. Lesson 1.9: Management and tenant support are important to tenant satisfaction and wellbeing

High levels of satisfaction among interviewed and surveyed SAHF tenants are attributed (at least partly) to high-quality ServiceCo management and communication and the provision of service coordination support which, although not taken up by all tenants, is of particular importance to social housing tenants with higher needs.

However, ServiceCo staff identified several limitations to the implementation of Tailored Support Coordination. These barriers primarily relate to the completion of initial tenant needs assessments. The impact of Tailored Support Coordination depends on the successful completion of these tenant needs assessments.

Current timeframes for completing initial needs assessments are seen as restrictive and do not allow sufficient time for stakeholders to build rapport and gather essential information from tenants to inform Tailored Support Coordination. Contractual requirements and monthly reporting processes related to Tailored Support Coordination are complex and require significant resources to manage, and miscommunication between DCJ and ServiceCo staff has resulted in ServiceCos receiving abatements when tenants decline to participate in a needs assessment.

In addition, some tenant cohorts continue to experience specific challenges, despite generally benefiting from SAHF housing. For example, tenants who speak little or no English struggle to communicate with ServiceCo staff about their everyday needs and needs for service support. As a group, they are more socially isolated than other tenants, and this is amplified for those who have moved further away from their social networks. Tenants living with or caring for others with disability also have specific accessibility needs in and outside of their dwelling and may require additional support to access services and participate in social activities, where this has not yet been available.

Recommendation A: Consider trialling public (or other community) housing with Tailored Support Coordination as a more cost-effective approach

SAHF is an expensive way of funding social housing and more expensive than the counterfactual of traditional public housing delivery. If it does not deliver substantial benefits over and above those of public housing it is difficult to argue that future social housing should be delivered in a similar way. Investment in traditional public housing (that is built and owned by the NSW government) with the addition of Tailored Support Coordination could potentially provide many of the same benefits for less additional cost and is likely to be a more efficient use of resources than funding additional community housing via SAHF.

Thus, we recommend that a trial is undertaken of improving public housing delivery with additional tenancy supports similar to what is provided in SAHF.

Recommendation B: Improve the Tailored Support Coordination model for SAHF and other social housing tenants

DCJ and ServiceCos should work together to identify how the current Tailored Support Coordination model can be improved. This includes re-evaluating the timeframes for completing initial needs assessments, refining the process for tenant needs assessments, simplification of reporting processes to reduce the administrative burden on ServiceCos and explicitly specifying the level of service that tenants should expect from Tailored Support Coordination.

Recommendation C: Identify likely beneficiaries of Tailored Support Coordination and trial targeted Tailored Support Coordination

Tailored Support Coordination, while generating benefits, also comes at a cost. The costs of Tailored Support Coordination may be able to be lowered if it is developed as a product targeted at more vulnerable tenants (e.g. tenants living with disability) or at younger tenants (who may benefit from employment support). This would

require identifying groups of tenants who would be likely to benefit most from this additional support – within and beyond SAHF (if the trial under recommendation A is implemented) – and develop transparent costs and servicing guidelines. The targeting of Tailored Support Coordination would avoid the problem of it trying to suit everyone and being too time-constrained for higher needs tenants and too resource intensive for others.

6.2. Program design and implementation

6.2.1. Lesson 2.1: Potential benefits from combining initiatives and programs

Qualitative evidence collected for the SII evaluation reports suggests Rent Choice and Opportunity Pathways may be usefully delivered together as each initiative seems to reinforce the impact of the other. Concurrently offering Rent Choice subsidies and Opportunity Pathways may be one way of ensuring clients have the wrap-around support they need at an intensity matched to their needs and capabilities to support the successful transition to housing independence.

Similarly, given the early results on small positive impacts on employment for younger tenants in the programs, ensuring that younger tenants living in social housing dwellings have access to an employment program like Opportunity Pathways may assist these tenants in gaining stable employment and enable them to exit from social housing to housing in the private rental market.

Recommendation: Continue Opportunity Pathways and investigate the cumulative impact of Rent Choice or one of the Future Directions programs and Opportunity Pathways

A targeted pilot study to evaluate the combined impact of a housing policy and an employment program on successful exit to the private rental market for a sufficiently large group of tenants against a comparison group of similar tenants (without access to an employment program) will demonstrate the effectiveness or otherwise of this two-pronged approach. The current restriction of Opportunity Pathways to four locations could be used to set up a quasi-experimental analysis as long as these locations contain a sufficient number of Rent Choice and Future Directions tenants. This would demonstrate whether Opportunity Pathways is more effective in terms of employment outcomes and avoiding/exiting social housing when it is combined with Rent Choice or a Future Directions Program, than if the participant is in other social housing.

6.2.2. Lesson 2.2: Application processes need to be straightforward

A lesson coming out of more than one report is the importance of having easily understood programs with a streamlined application process. Simplification was recommended for Rent Choice. There are currently five Rent Choice products targeted to specific cohorts: Start Safely (for people escaping domestic violence), Youth (for people aged 16 to 24), Assist (a pilot for households who have experienced a destabilising event: the eligibility criterion used in the pilot was having low income), Transition (for social housing tenants) and Veterans (for former members of the permanent Australian Defence Force). These are delivered as stand-alone products with their own policy framework and operating guidelines,

including different eligibility criteria, income thresholds and product features. This was found to raise challenges for program promotion and was confusing for applicants who may be eligible for more than one product.

A streamlined application process is particularly important when there is a need to apply for essential support like the CRA in the SHMT program. While considerable effort was invested in communication and support to facilitate access to CRA, difficulties in applying for CRA created financial stress and confusion among some SHMT tenants (who likely needed more support). Some tenants ended up not applying (and therefore not receiving CRA) or delayed applying for CRA. At the time of transfer 28% of tenants did not receive CRA. Even one year after the transfer, 15% of SHMT tenants (still living in their SHMT dwelling) were not receiving CRA.

The Scholarships evaluation also recommended simplification of the application process and/or the provision of support with completion of an application.

Recommendation A: Simplify application processes for service provision

Simplify the application process (and services provided) as much as is possible and provide support with applying where needed to ensure that people most in need of the services do not miss out on opportunities due to administrative complexities. For example, only one Rent Choice product could be offered with one application form where applicants are filtered into the most appropriate subproduct through questions in the form regarding their characteristics and background.

In the case of CRA specifically, in future, more and clearer information needs to be provided to tenants about the CRA payment, mechanisms for payment to the CHP, and the net rent to be paid by tenants. This is particularly important for vulnerable (including CALD) tenants who need additional support to understand CRA. Despite the fact that considerable effort was invested by CHPs in communication and support to facilitate access to CRA, this remained an area of considerable confusion and stress for some tenants.

Recommendation B: Secure additional funds for social housing directly via the Commonwealth-State Housing Agreement rather than indirectly via CRA

It is inefficient to rely on a funding pool that tenants need to apply for, especially given that they see no overall net financial benefit to its receipt. There is also considerable uncertainty around the size of this funding pool in the future and the way that it would interact with future Housing Agreements.

It would be more efficient to negotiate an additional funding injection into the social housing sector directly with the Commonwealth. Additional funding for social housing that, under SHMT, has been obtained via CRA could, for example, be obtained by state governments directly via the National Housing and Homelessness Agreement.

6.2.3. Lesson 2.3: Complexity in contracting, common across all three major programs, has impacts for tenants

Contractual and program complexity is a standout concern across all three larger Future Directions programs. While the type of complexity differed, and CHPs and other stakeholders were able to overcome implementation problems in time, CHPs perceived these complexities to have a negative impact on tenant engagement and services, and this appears in part to be borne out in the reports of tenants.

Recommendation: Reduce complexity of contracts where possible

Implementation challenges related to complex contracting and the initial set-up of social housing interventions were a common occurrence for CHPs across Future Directions' programs. These challenges appear to have impacts on service delivery and the experience of tenants. DCJ should therefore:

- simplify new contracting processes where possible,
- align any future housing transfer with the completion of DCJ maintenance contracts,
- scope the potential impacts on tenants of complex contracting arrangements between DCJ and CHPs, so that impacts may be mitigated.

6.2.4. Lesson 2.4: Lead-in time to build relationships, trust and rapport with individuals and other agencies in the community is vital

Lead-in time before 'going live' is important for implementation 'readiness'. All CHPs involved in SHMT spoke of the importance of lead-in time prior to their transfer 'going live'. Lead-in time to build relationships, trust and rapport with individuals and other agencies in the community is perceived to be vital, and indicative of the success of SHMT. This view was more pronounced in package sites where CHPs were new to the area and had to build a presence, reputation and relationships.

CHP visibility of SHMT information at transfer was limited, irrespective of 'go live' date. This left the potential for miscommunication between CHPs and tenants around key features, such as the transfer of management itself and its day-to-day implications, actioning maintenance requests and confusion around the implementation of Commonwealth Rent Assistance (CRA). That these challenges were observed across CHPs that were early, middle or late in the sequence of 'going live' suggests that these features of SHMT could have been more clearly communicated by DCJ to stakeholders.

One important component of "invisible" SHMT information before the transfer was the actual state of the dwellings CHPs were acquiring. Given the age of these dwellings (and relatively poor quality), CHPs need to be able to prepare and set aside resources and time to ensure dwellings can be adequately maintained (and/or fixed).Tenant interviews show that poorly maintained dwellings have a negative impact on tenants' experience of the transfer and that passing on poor-quality dwellings to CHPs to manage is unlikely to improve outcomes for tenants. Poor-quality dwellings potentially draw resources that CHPs could be using to provide support and services to tenants towards maintenance and repair of the dwellings.

Recommendation: DCJ and CHPs should collaborate more closely on future management transfer processes

For future transfers, a better change management process should be developed that includes more streamlined communication to meet the diverse needs of the full tenant cohort and for transferring maintenance contracts. And as a first step in the transfer process, DCJ should ensure that CHPs have full knowledge of what is involved in the transfer, including the attributes of the dwellings to be transferred, when they tender for the management contracts.

DCJ and CHPs should work together to ensure CHPs have a full understanding of the level and nature of tenant communication that is likely to be required so they can

prepare for this. Future transfers should continue to include a comprehensive communications campaign, including phone calls and one-on-one meetings with CHP staff, especially for less mobile tenants and those with higher needs, or community meetings; providing interpreters speaking tenant languages for non-English speakers where needed; and ensuring venues are accessible and close to public transport, or organise community information sessions on site or near residences. Government and CHPs should establish clear and standardised mechanisms for communication and feedback and be responsive to tenant concerns and queries.

In addition, DCJ should ensure that CHPs can engage with tenants as early as possible, that CHPs have access to information about the needs of marginalised and vulnerable tenants, that CHPs have adequate time to view the dwellings to be transferred prior to acquisition (so they can determine whether they have the resources to adequately maintain them), and that CHPs have full understanding of what the transfer involves.

Finally, DCJ and CHPs should also work together to negotiate contractual terms regarding maintenance that would allow CHPs to start their relationship with tenants on a positive footing.

6.2.5. Lesson 2.5: The importance of engaged housing management staff and service providers

In all evaluation reports there was evidence of the importance of the staff working with tenants and participants. Engaged housing management staff and service providers who establish strong, trusting relationships with tenants and participants, and who were able to build strong partnerships and coordination among local service providers, are found to be central to programs' and initiatives' success.

The importance of local trusted staff with whom tenants can communicate easily can be seen in the positive responses of SAHF tenants to having regular and responsive maintenance, security and housing staff on site, and in the negative reports by several SHMT tenants reflecting the lack of such relationships. This seemed to be especially important for more vulnerable clients. Evidence from SHMT and LAHC FDI shows that CALD tenants were faring worse (or less well) than other tenants.

The SII evaluations also highlight the importance of the relationship between clients and support workers for success in the Opportunity Pathways initiative and in Rent Choice. Having more Aboriginal staff and/or cultural competency training was a recommendation in the SII evaluation report (ARTD Consortium, 2023) given that approval decisions were made based on the judgement of specialist staff. This is especially important given that Aboriginal applicants were less likely to be approved, despite there being no evidence that the positive impacts of the program were different for Aboriginal and non-Aboriginal participants.

Recommendation A: Increase and improve communication with tenants at all stages of the policy process

Better communication can improve outcomes at relatively low extra cost. The findings of this evaluation indicate that there are benefits in establishing a process by which tenants can contribute multiple times throughout the policy development and implementation process, via a variety of methods to ensure a diverse range of voices and experiences are captured (see Lesson 1.2).

Issues around communication were raised across programs and at different stages of the policy process, indicating communication could be improved at each stage:

At the policy development stage

If through consultation processes tenants make suggestions or recommendations that cannot be implemented, there is value in developing a mechanism to explain what suggestions and recommendations will be made part of a policy and what suggestions and recommendations are not feasible and why. Transparency is an important element of ensuring tenants continue to be engaged and develop and retain a sense of empowerment. A process of clear and transparent communication is particularly important for issues that are important to tenants. Key examples are the suggestions for changes that could make transition to the private rental market easier for tenants (see Table 5.4). These changes are challenging for policy makers to address through a single policy but, given that one of the key goals of the Future Directions policy was to increase opportunities for tenants to leave social housing, explaining why the suggestions made to facilitate this were not feasible would be helpful.

At the implementation stage

More and better communication to explain the process, and more support for tenants struggling with the process to prepare the CRA application and to understand its role in paying the rent could have avoided the confusion that resulted from the SHMT program for many existing SHMT tenants. This would have decreased the stress and uncertainty around applying for CRA for a substantial number of SHMT tenants.

In day-to-day communications around service provision

There were groups of tenants in all three programs, but especially in SHMT and LAHC FDI, who benefitted less from the programs because they were unaware of some of the support available to them. Administrative data showed that CALD tenants are one such group. Although CALD tenants in SAHF still faced communication issues, the Tailored Support Coordination appears to have helped to reduce the impact on their outcomes and interviewed tenants mentioned their appreciation of the supportive CHP staff who regularly check in on them. The evaluation of the SIIs also highlighted the need to invest in trauma-informed staff training, given the high levels of exposure of social housing tenants to trauma, to ensure that staff interacting with tenants and participants understand the causes and consequences of trauma and how it shapes behaviour.

Recommendation B: More Aboriginal staff and cultural competency training

To ensure support workers and other staff working with tenants and clients are able to build strong relationships with clients from various cultural backgrounds, employing a multicultural workforce and ensuring that staff understand cultural sensitivities and are able to interact empathically with people from a range of backgrounds is important.

6.2.6. Lesson 2.6: Relocation did not result in negative impacts for relocated tenants

Early results from the analysis of administrative data for a small number of relocated tenants up to one year after relocation show very limited impacts on the tenants' outcomes. For example, relocation did not seem to significantly disrupt any existing

employment arrangements (for the relatively small number of relocated tenants for whom data were available). This is a reassuring outcome, although this analysis will need to be repeated at a later point in time to ensure this result is not just due to the small sample size and we acknowledge that administrative data cannot measure all possible negative impacts of relocation. Relocation of tenants is an important feature of large redevelopment projects and so it is important to ensure relocated tenants do not suffer any negative impacts as a result.

Recommendation: LAHC should not be deterred from pursuing development opportunities due to concerns about the potential impacts of relocation

Although relocations are likely to be disruptive for tenants, if the relocation is handled sensitively, with good communication, and with respect for tenants' needs, disruption can be minimised. The need for relocation of tenants should not constitute a major impediment to future redevelopment of social housing sites.

6.2.7. Lesson 2.7: Future Directions is changing the social housing landscape in NSW

CHPs and ServiceCos were found to be a good fit for the implementation of the Future Directions Strategy. They take pride in the work they do, are well connected within the service sector and are interested in more opportunities within social housing reforms. Although Future Directions provided the opportunity for CHP growth in capacity and capability to deliver social housing, it is changing the landscape of the social housing sector in NSW with large CHPs becoming larger resulting in fewer opportunities for smaller CHPs. This may lead to smaller CHPs, many of which provide specialised tenancy services and/or serve specific communities/geographies in the state, not being given as many opportunities to develop and grow in the sector. This has the potential to drive inequalities in the sector and has implications for future social housing reform.

Recommendation: Monitor impact of policy on opportunities for all CHPs

DCJ should monitor and examine the impact of Future Directions policies on the growth of CHPs in the sector, including any potential inequalities that may be resulting in smaller CHPs having less opportunities to provide social housing in the future because of this imbalance.

6.3. Future evaluations

6.3.1. Lesson 3.1: Tailored Support Coordination is popular among stakeholders and tenants but how effective is it?

The inability of the outcome evaluation to separate the benefits of Tailored Support Coordination from better quality dwellings delivered under SAHF and the lack of data on ServiceCos' costs of delivering SAHF mean that we have been unable to evaluate the extent to which Tailored Support Coordination generates benefits for tenants and the extent to which it is cost effective.

Recommendation: Evaluate the effectiveness of Tailored Support Coordination. What benefits does it generate? Do its benefits outweigh its costs?

A trial of providing Tailored Support Coordination to public housing tenants would assess its impact on tenants' outcomes. That is, a comparison of outcomes for

similar tenants in similar dwellings, one group of which has access to Tailored Support Coordination and the other of which does not would allow one to identify the benefits of Tailored Support Coordination. Linked administrative data could be used for this task. A comparison of the monetary value of these benefits with the costs of providing Tailored Support Coordination would answer the question as to whether it is good value for money.

6.3.2. Lesson 3.2: The Future Directions evaluations have produced valuable evidence, but can be improved in a number of ways

This report has shown the value of a mixed methods approach – qualitative tenant interviews and the linking of various sources of administrative data – for evaluating the impacts of the Future Directions Strategy, and the individual programs and initiatives. Despite the early stage of the evaluation for the tenant populations of interest (two or three years after program commencement, and just one year for new SHMT tenants), several interesting results have been observed in the outcome evaluation and contextualised by the tenant interviews. Nevertheless, for the three larger programs in particular, it is crucially important to repeat the current evaluation in future years to examine how outcomes for tenants develop over time.

The current evaluation framework was designed to be used for future evaluations using updated linked administrative data, potentially including additional data sources and variables. The same methodologies as used in this and the individual evaluations can be applied, including the methodology of finding comparison group tenants for new tenants entering the programs in the coming years.

A number of data issues arose that need to be resolved in future evaluations. These include poor linkage of tenancies in HOMES/CHIMES to applications in the Housing Register (leading to important information such as priority status being missing), poor linkage rates of CHIMES to other administrative data (compared to linkage rates for HOMES), lack of a standardised variable with targeting information, and fewer informative schooling outcomes being available due to COVID-19. This leads to recommendation A below.

We know that the quality of the social housing dwellings is important for tenants' experiences, but data on dwelling quality is very limited or non-existent. The program logic underlying the various Future Directions programs is that better quality housing will lead to better tenant outcomes. To explore how this logic plays out in practice, it is important to understand the extent to which the intermediate outcome of better housing has been experienced. It would hence be valuable to develop a measurement tool for dwelling quality. In addition, the quality of data on economic outcomes and on health outcomes should be improved as much as possible in a future evaluation. This leads to recommendations B to D below.

The SII evaluations noted problems in existing monitoring data, particularly in relation to Opportunity Pathways, which made it difficult to assess the program's impact. Such data are key to a high-quality evaluation, leading to recommendation E.

Further, wellbeing is not captured well in administrative data. Alongside further tenant interviews to assess whether tenants are more satisfied with maintenance and the services provided by CHPs (including explicitly asking about tenant and tailored support coordination), there is considerable value in observing the tenant experience beyond what can be captured in administrative data. In-depth, qualitative

interviews are an important complementary tool but do not generate generalisable conclusions. This leads to recommendations F and G.

Recommendation A: Improve the quality of social housing data collection

Data quality and linkage issues can generate significant bias in evaluation and the ongoing monitoring of the outcomes of social housing programs. Key data issues identified include the lack of a common person identifier across the entire social housing system, incomplete data reported by CHPs, inconsistent data definitions used by CHPs within the community housing administrative dataset, and inconsistent data definitions between public and community housing administrative datasets. As social housing tenants can move between public housing and community housing, it is essential to address these data inconsistencies to derive reliable housing outcomes that are comparable across data sources. Suggested actions for improvement are:

- Establish unique person IDs and property IDs throughout the social housing system, including the housing register, public housing and community housing and all other housing-related services. For example, a Client ID in community housing data (CHIMES) similar to what is already available for public housing data (HOMES) and Housing Register data, would enable easy and reliable linking of data (instead of using SLKs to link CHIMES with these data sources which resulted in low linkage rates). Ideally, CHPs would be provided with access to HOMES so that all data could be kept within the same system.
- Build in automatic quarterly data checks for completeness of data records and follow up regarding any omissions in a timely manner.
- Use consistent, pre-defined data codes throughout the entire social housing data system instead of allowing free text.

Recommendation B: DCJ to develop a metric for quantifying dwelling quality that can be applied uniformly across public and community housing

Such a metric would likely involve periodic inspections of a representative sample of properties with enumerators identifying the existence or otherwise of various housing amenities, design features, age of fixtures and maintenance issues. This would allow an assessment of the impact of dwelling quality and an assessment of which dwelling features play the largest role.

Recommendation C: Explore further data linkages with the ATO to improve data on economic outcomes

Further data on economic outcomes of the programs and initiatives are needed as Centrelink and Social Housing tenant data do not provide full coverage of economic outcomes. People are only observed in the Centrelink data while they are on income support and in the social housing data while they remain in social housing, and income and employment information are missing in the social housing tenant data for a large proportion of tenants. Thus, it is difficult to know what the employment and earnings outcomes of all (former) program tenants and initiative participants are. Additional linkage of ATO data to the existing linked administrative data could fill these knowledge gaps and improve analysis of earnings and employment of tenants.

Recommendation D: Create more detailed measures of health and wellbeing from Medicare data rather than only relying on use of pharmaceutical benefits, Medicare benefits and hospital services

Any increases (or decreases) in utilisation of health services could potentially be the result of improvement (or deterioration) in access to services, or of a decline (or improvement) in health. For example, in the subpopulation analyses, impacts on health services use look quite different in regional areas versus major cities, with seemingly higher use of preventive health services and lower use of acute health care in major cities. This seems to suggest access to services may be an issue in regional areas and this could negatively affect people's health (and higher use of emergency services), but without direct information on tenants' health, it is often difficult to ascertain whether a change in used services is a desirable or undesirable result. Medicare data report details on if, and when, people have been diagnosed with health conditions, which could be used to provide further detail of health outcomes. It also includes details on whether people have been referred to a specialist and the type of specialist they have been referred to, including, for example, whether they have a mental health plan and been referred to a psychologist. However, processing this information is potentially quite labour intensive and would require the knowledge and assistance of health experts. Investment in the development of this is worth considering in future evaluations.

Recommendation E: Ensure high-quality monitoring data is collected for all initiatives

Improved initiative monitoring data would enhance future evaluations. The SII Final Evaluation Report lays out a framework for embedding monitoring activities in initiatives so that staff understand how the data are being used and why it is important the data are collected, so that behavioural incentives are created for more accurate data collection.

Recommendation F: Ensure representative observation of tenant experience

Tenant satisfaction surveys can provide important insights into tenant wellbeing and satisfaction with various aspects of the social housing experience. Therefore, there would be significant value in conducting a representative quantitative tenant survey, similar to the Housing Outcomes and Satisfaction Survey, but including community housing tenants and administered in ways that maximise response rates (e.g. by asking tenants for consent to share their data with a third party for evaluation purposes instead of with DCJ or a CHP). With higher response rates we could be more confident that results based on these data are representative of the full community and public housing tenant population. A representative quantitative tenant survey should include questions of importance to DCJ and the Community Housing sector, and cover outcomes which are not readily observable in administrative data. For example, questions in relation to dwelling quality and maintenance; tenants' experiences with housing management; tenants' sense of safety and autonomy; tenants' self-assessed health; and their feelings of connectedness to, or conflicts with, their community.

The survey should also ask about the capacity of tenants to advocate for themselves which, alongside sociodemographic information, could be used to develop simple indicators of potential vulnerability to identify and target additional support to the most vulnerable tenants. Questions to measure tenants' sense of empowerment could also be included. To enable use of general population scores as a benchmark,

in future satisfaction surveys the extent of tenants' agreement with statements similar to those included in the HILDA survey to measure personal control could be asked.[54] These statements are:

- I have little control over the things that happen to me
- There is really no way I can solve some of the problems I have
- There is little I can do to change many of the important things in my life
- I often feel helpless in dealing with the problems of life
- Sometimes I feel that I'm being pushed around in life
- What happens to me in the future mostly depends on me
- I can do just about anything I really set my mind to do

Finally, tenant interviews have provided deeper insights into the issues faced by tenants (and initiative participants) and further rounds of tenant interviews will be valuable in providing updates on tenants' experiences in social housing, especially in relation to more vulnerable tenants who may be less likely to respond to surveys.

Recommendation G: Greater engagement with Aboriginal tenants to increase their participation in the evaluation

Optimising response rates for a quantitative tenant survey, but also for tenant interviews, is especially important for small, but important, subpopulations such as Aboriginal tenants.

The design of future evaluations should therefore include the development of a strategy for engaging more with Aboriginal tenants, both through tenant interviews and to increase their participation in tenant satisfaction surveys. Partnerships with Aboriginal-controlled community health organisations and other services that support tenants in the areas being evaluated are likely to assist with recruitment of tenants for interviews and surveys.

[54] These statements are based on the measure of "Mastery" in Pearlin and Schooler (1978).

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Appendices

Appendix A SII Locations

Specific SII	Place Plans	Early Childhood Education Services	Youth Development Scholarships[a]	Opportunity Pathways	Rent Choice
Districts	As of January 2018, there were 16 project teams delivering Place Plans across 20 disadvantaged housing areas in NSW, including Eden, Warrawong [other CHPs], East Nowra [SHMT/other CHPs], Goulburn [SAHF/other CHPs], Griffith [other CHPs], Albury [SAHF/other CHPs], Wagga Wagga [other CHPs], Dubbo [other CHPs], Bathurst [other CHPs], Orange[other CHPs], Moree [other CHPs], Cessnock [SHMT/other CHPs], Kempsey [SHMT/other CHPs], Goonellabah [SAHF/other CHPs], Redfern [other CHPs], Surry Hills [other CHPs], Claymore [other CHPs], Miller [SAHF], Lithgow [other CHPs], Prospect [other CHPs].	Two locations (Mt Druitt and Moree).	Statewide.	Participation in Opportunity Pathways is voluntary and it is delivered in sites across the state from 2019 for three years. There have been two trial locations in Towradgi and Punchbowl which have tested how engagement in education and employment can be linked to a tenancy.	**Rent Choice Start Safely and Veteran:** state-wide **Rent Choice Youth**: *Hunter New England and Central Coast:* Armidale, Moree and Narrabri, Newcastle, Tamworth and Wyong *Western Sydney and Nepean Blue Mountains:* Parramatta, Blacktown and Mount Druitt and Penrith *Northern NSW and Mid North Coast:* Coffs Harbour and Lismore *South Eastern Sydney, Northern Sydney & Sydney Districts:* Inner City Inner West, North Sydney, St George and Sutherland Shire *South Western Sydney:* Liverpool *Illawarra Shoalhaven and Southern NSW:* Goulburn/Yass, Queanbeyan/Eurobodalla, Wollongong *Murrumbidgee, Far West and Western NSW:* Albury, Bathurst, Dubbo Orange Wagga Wagga **Rent Choice Transition Pilot:** Western Sydney**,** South Western Sydney**,** Illawarra**,** Hunter, Murrumbidgee. **Rent Choice Assist Trial:** Hurstville**,** Blacktown, Campbelltown, Newcastle/Lake Macquarie.

Note: [..] indicates which program is active in that postcode.

a) Formerly Scholarships and Mentoring, but the mentoring component was removed after 2019.

Appendix B Program Logic

1. CURRENT SITUATION	2. OBJECTIVES	3. PROGRAM: core components	4. MECHANISMS OF CHANGE	5. OUTCOMES *(aligned to NSW Human Services Outcomes Framework)*		
				Short-term outcomes (up to 1year)	**Intermediate outcomes (1-2 years)**	**Long-term outcomes (over 2 years)**
Issues The existing social housing portfolio in NSW is not large enough to accommodate the number of current tenants, and the growing number of people on the social housing register. The cost of maintenance is growing as a result of having an aging social housing portfolio. **Barriers** Parts of the current social housing portfolio are under-utilised as the mix of bedrooms do not match the tenant household size. Entrenched, generational disadvantage means fewer tenants are exiting the social housing system. A proportion of the portfolio is not well located, making it harder for tenants to access services they need such as healthcare, schools, transport and employment opportunities Government currently dominates the social hosing landscape which does not encourage NGO, or private sector innovation	Provide more social housing Provide more opportunities and support for people to transition through social housing Provide a better experience in social housing	**Core component 1:** Communities Plus **Core component 2:** Management Transfers **Core component 3:** SAHF **Core component 4:** Service Improvement Initiatives: 1. Place Plans 2. Private Rental Assistance (Rent Choice) 3. Career Pathways 4. Opportunity Pathways 5. Youth Development Scholarships (formerly Scholarships and Mentoring) 6. Early Childhood Education Support 7. Sustaining NSW Families	• Greater involvement of private and non-government partners in financing, owning and managing a significantly expanded stock of social and affordable housing assets will increase the sustainability of the social housing system in NSW • Providing new and replacement social housing which is better designed to meet tenant needs, will improve their experiences of social housing and have flow-on impacts to improved health and wellbeing, social and economic outcomes of tenants • Better located social housing will support access to education and employment opportunities, and facilitate pathways out of social housing • Expanded support in the private rental market will reduce demand for social housing and the social housing register • Young people who have grown up in social housing will increasingly move into independent housing, using the education, skills and employment we have helped them acquire	**Economic**		
				More clients are accessing Private Rental Assistance to get them through difficult periods, rather than going on the public housing register	NSW social housing tenants report an increase in employment NSW social housing tenants increase attachment to the labour market. A reduction in welfare dependence.	NSW social housing tenants report an increase in employment stability Social housing tenants increase income from employment. The cycle of entrenched intergenerational disadvantage is interrupted
				Education and Skills		
				Children of social housing tenants increase enrolment in years 10,11, 12 of school. NSW social housing tenants report increased access to vocational and training opportunities.	NSW social housing tenants report an increase in work readiness skills and knowledge NSW social housing tenants increase enrolment in vocational and training. Children of social housing tenant's report an improvement in year 10,11, 12 school completion rates	NSW social housing tenants increase vocational education Children of social housing tenants experience improved school performance
				Safety		
					More people in social housing feel safer and participate in their local community (this may take longer to occur, and be more of an intermediate outcome) Lower crime rate Less domestic and family violence	

1. CURRENT SITUATION	2. OBJECTIVES	3. PROGRAM: core components	4. MECHANISMS OF CHANGE	5. OUTCOMES *(aligned to NSW Human Services Outcomes Framework)*		
			• More competition and diversity in the provision of tenancy management services through the expanded capacity and capability of Community Housing Providers, will improve tenant satisfaction and improve their health and wellbeing, social and economic outcomes	**Short-term outcomes**	**Intermediate outcomes**	**Long-term outcomes**
				Home		
				More social housing has been provided that suits the needs of social housing tenants	NSW social housing tenants report an improved experience in social housing NSW social housing tenants report higher satisfaction levels with their social housing experience	Fewer people are on the social housing register
				Physical and Mental Health		
				Social housing tenants report improved access to health services in their community. Social housing tenants report improved access to wellbeing services in their community.	Higher utilisation of the recreation facilities of the community. Higher utilisation of health services.	Social housing tenants report improved levels of subjective wellbeing. Social housing tenants experience improved health status (physical and mental).
				Social and Community		
				NSW social housing tenants report improved community stability and cohesion (this may take longer and be more of an intermediate outcome)	NSW social housing tenants report improved community stability and cohesion	Tenant households are able to engage with community and social networks.
				Empowerment		
				Tenants are informed on the services and opportunities in the community and how to access them.	NSW social housing tenants report an improvement in their education and/or employment aspirations	Social housing tenants experience improved levels of subjective wellbeing

Note: the colour coding in the outcomes columns indicates the likely availability of information on the outcome variable in administrative datasets: green indicates this is certain or likely, blue indicates the information may be available or there is uncertainty, while no colour indicates relevant information is unlikely to be available.

Summary Statistics for Program Tenants and Initiative Participants

Table C.1 Individual, household, tenancy and property characteristics at baseline by program (in % unless otherwise indicated)

Label	LAHC FDI		SAHF		Existing SHMT		New SHMT		Public housing		Comm. housing	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
Individual level characteristics												
Female	57.0	3,965	60.2	2,069	55.2	22,431	52.8	4,392	50.6	46,467	55.9	12,304
Aboriginal	10.7	3,502	12.2	1,548	21.1	18,195	30.8	4,360	23.9	42,921	17.8	11,357
age (continuous in years)	47 .8	2,655	47.6	2,074	44.4	22,976	31.8	4,399	30.4	46,682	32.2	12,332
Age 0 to 8	8.4	3,974	10.5	2,074	9.1	22,976	20.9	4,399	23.4	46,682	18.7	12,332
Age 9 to 16	10.1	3,974	5.2	2,074	12.0	22,976	13.0	4,399	13.8	46,682	12.4	12,332
Age 17 to 24	6.5	3,974	7.9	2,074	8.0	22,976	9.7	4,399	9.3	46,682	12.8	12,332
Age 25 to 39	11.2	3,974	12.7	2,074	11.6	22,976	18.6	4,399	18.3	46,682	18.7	12,332
Age 40 to 54	17.4	3,974	13.7	2,074	18.0	22,976	17.8	4,399	16.3	46,682	17.9	12,332
Age 55+	46.4	3,974	50.0	2,074	41.3	22,976	19.9	4,399	18.9	46,682	19.5	12,332
Person has a disability	46.9	3,977	30.6	1,668								
English is main language	73.9	3,003	87.0	1,739	93.5	12,706	95.6	3,509	87.4	35,084	91.8	10,122
Individual weekly income (in $ per week)	355.6	3,237	322.0	2,074	463.4	16,476	338.5	665	441.2	10,540	375.3	1,862
Main source of income: Centrelink	92.7	2,711	73.0	1,464	89.7	16,462	85.8	471	89.8	9,829	79.9	1,428
Main source of income: Employment	4.7	2,711	5.0	1,464	8.5	16,462	1.5	471	4.9	9,829	4.8	1,428
Main source of income: No Income	too few		6.0	1,464								
Main source of income: Private Income	too few				0.8	16,462	3.0	471	1.0	9,829	2.7	1,428
On Income Support (IS) at tenancy start date/transfer (age 16+)			89.0	1,613	83.3	17,885	90.8	2,780	85.7	28,650	88.4	7,827
Total time on IS, 1 year before tenancy start/ transfer date (for tenants aged 16+ only) (in days)			321.0	1,613	296.7	17,885	322.4	2,780	295.7	28,650	309.3	7,827
Total regular Centrelink payment amount (excl CRA) in the previous year (in $ per year)			18,321	1,613	18,493	17,885	20,042	2,780	17,689	28,650	18,697	7,827
Household/Tenancy characteristics												
Application was on priority waiting list	28.3	2,474	31.0	929			39.7	2,252	43.9	22,388	21.5	4,535
Social housing transfer			28.0	2,074			13.1	2,252	25.1	22,388	9.3	4,535
Number of adults in the household (count)	1.4	1,641	1.2	1,453	1.4	13,127	1.2	2,252	1.4	22,388	1.2	4,535
Number of children in the household (count)	0.3	1,641	0.2	1,453	0.4	13,127	0.6	2,252	0.8	22,388	0.6	4,535
Any children in the household	14.9	1,641	16.7	1,453	19.3	13,127	31.6	2,252	36.6	22,388	3.0	4,535
Number of people in the household (count)	1.9	2,474	1.4	1,453	1.8	13,127	1.8	2,252	2.2	22,388	1.8	4,535

Label	LAHC FDI		SAHF		Existing SHMT		New SHMT		Public housing		Comm. housing	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
Household type:												
single man, w/o other tenants	24.8	2,474	26.2	1,448	35.4	9,622	34.0	2,211	31.1	19,693	28.3	4,461
single woman, w/o other tenants	32.4	2,474	40.9	1,448	43.3	9,622	25.3	2,211	22.2	19,693	30.3	4,461
single man, with children	1.3	2,474	1.5	1,448	0.8	9,622	2.8	2,211	2.8	19,693	2.4	4,461
single woman, with children	9.3	2,474	12.5	1,448	5.4	9,622	21.2	2,211	23.2	19,693	19.6	4,461
single man, with other tenants (no child)	2.6	2,474	1.9	1,448	2.2	9,622	3.0	2,211	2.6	19,693	2.6	4,461
single woman, with other tenants (no child)	10.4	2,474	5.2	1,448	6.6	9,622	7.1	2,211	9.5	19,693	8.9	4,461
partnered man or woman, w/o children	15.4	2,474	9.9	1,448	5.0	9,622	3.4	2,211	3.3	19,693	4.5	4,461
partnered man or woman, with children	4.1	2,474	1.8	1,448	1.2	9,622	3.3	2,211	5.2	19,693	3.5	4,461
At least one employed person in the household			6.0	1,453								
Rent Charged ($/week)	134.8	1,408	131.3	1,453	147.3	13,124	134.8	2,242	146.0	22,357	140.7	4,528
Difference market rent and rent paid ($/week)	297.7	1,408	248.2	1,447	204.3	13,124	220.5	2,242	227.6	22,357	230.7	4,521
Rent arrears (negative balance>4 weeks rent)					1.0	13,124						
Commonwealth Rent Assistance (CRA) recipient			55.0	2,074	0.7	13,127	64.9	2,252	30.5	22,388	63.5	4,535
Total CRA received in week of 30 June ($/week)			57.7	1,453								
Duration in current property <1 year					8.2	13,127						
Duration in current property 1-2 years					13.9	13,127						
Duration in current property 3-4 years					12.0	13,127						
Duration in current property 5-9 years					22.0	13,127						
Duration in current property 10-19 years					26.3	13,127						
Duration in current property 20+ years					17.7	13,127						
Property characteristics												
Dwelling type=House	22.0	2,497	8.0	3,033	47.0	13,127	45.2	2,252	45.6	22,388	34.3	4,533
Dwelling type=Villa	11.0	2,497	4.0	3,033	9.6	13,127	5.1	2,252	6.2	22,388	4.3	4,533
Dwelling type=Unit	67.0	2,497	89.0	3,033	43.4	13,127	48.2	2,252	48.3	22,388	56.5	4,533
Dwelling type=Other												
Number of Bedrooms (count)	1.9	2,497	1.7	2,074	2.1	13,127	2.0	2,252	2.2	22,388	2.0	4,535
Market rent per week (in $/week)	423.1	2,487	379.6	1,447	351.6	13,127	355.1	2,252	373.6	22,388	371.3	4,528
Dwelling is targeted	28	786	63.1	1,453								
Year dwelling was constructed	2018	1,902										
Age of building 5-9 years					2.4	13,127	1.5	2,252	6.3	22,388	3.4	4,534
Age of building 10-19 years					3.4	13,127	2.6	2,252	1.7	22,388	22.1	4,534

Label	LAHC FDI		SAHF		Existing SHMT		New SHMT		Public housing		Comm. housing	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
Age of building 20-29 years					6.8	13,127	6.0	2,252	4.4	22,388	22.3	4,534
Age of building 30-39 years					22.3	13,127	22.3	2,252	16.0	22,388	14.5	4,534
Age of building 40-49 years					23.8	13,127	24.0	2,252	21.2	22,388	12.1	4,534
Age of building 50-59 years					15.4	13,127	16.6	2,252	22.1	22,388	11.2	4,534
Age of building 60+					14.0	13,127	16.4	2,252	17.6	22,388	9.8	4,534
Age of building Missing					11.9	13,127	10.6	2,252	10.7	22,388	4.4	4,534
Dwelling's distance from nearest… (in metres)												
Primary School	946	2,338			1,216	12,786	1,223	2,207	985	21,523	1,118	3,138
High school	2,016	2,328			2,134	12,828	2,056	2,215	1,839	22,308	2,422	3,172
TAFE	9,029	2,276										
Hospital	4,220	2,335			11,590	12,703	15,963	2,202	4,854	22,094	12,843	3,159
Post office	1,208	1,991			1,322	10,363	1,363	1,744	1,204	19,314	1,250	2,610
Commercial Zone B2	2,137	1,997			4,617	12,556	5,498	2,159	2,414	21,079	5,379	2,913
Commercial Zone B3	5,194	1,997			6,788	12,556	8,167	2,159	8,707	21,079	32,967	2,913
Commercial Zone B4	2,868	2,003										
Train or Light Rail Stop (m)	4,997	1,997			7,785	12,556	7,967	2,159	7,139	21,079	17,929	2,913
Dwelling's drive time from nearest childcare centre												
less than 5 minutes	94.2	2,144										
5 to 10 minutes	2.1	2,144										
more than 10 minutes	1.5	2,144										
Aggregate statistics on dwelling location (postcode level), 2020 or latest available												
SEIFA index (deciles)	4.2	2,488	4.8	1,341	5.2	13,123	5.1	2,252	4.2	22,282	4.4	4,535
Unemployment rate (0-100%)	7.6	2,458	6.9	1,321	6.6	13,080	6.5	2,243	7.8	22,066	7.3	4,493
Labour force participation rate (0-100%)	60.8	2,458	62.3	2,053	61.3	13,080	61.3	2,243	61.2	22,066	60.8	4,493
Population share who finished Year 12 (0-100%)	55.3	2,458	51.8	2,053	50.4	13,080	49.8	2,243	53.7	22,066	49.7	4,493
Homelessness per 100,000 persons (count)	52	2,452	87.0	1,813	121.2	13,080	124.9	1,067	81.6	14,385	97	2,903
Homelessness service usage rate			4.3	573	4.9	13,080	5.5	1,067	4.6	14,385	4.8	2,903
Total crimes per 100,000 persons (count)	9,055	2,458	5,336	1,321	9,690	13,080	9,474	1,067	12,144	14,385	10,181	2,904
Drug related crimes per 100,000 persons (count)	795	2,458	433	1,321	671.7	13,080	708	1,067	934	14,385	811	2,904
Domestic violence offences reported per 100,000 persons (count)	487	2,458	247.3	2,053	469.6	13,080	521	1,067	582	14,385	546	2,904
Median rent in $/week	441.4	2,488	421.0	574	451.3	13,112	435.9	1,068	449.7	14,482	434	2,921
Median sales price in $ '000 per week	785.7	2,432	655	574	732.9	12,979	722.4	1,063	732.9	14,098	672.4	2,832

Label	LAHC FDI		SAHF		Existing SHMT		New SHMT		Public housing		Comm. housing	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
low population density (<50 people per square km)	2.1	2,144										
Pop. density per km2 (count)			1,506	1,321	1,252	13,080	1,100	2,243	2,598	22,066	1,734	4,493
Median commuting distance (in km)			12.0	1,321	10.0	13,080	9.1	2,243	11.1	22,066	10.6	4,493
Population share going to work by public transport (0 -100%)	17.3	2,458	12.0	1,321	10.9	13,080	10.0	2,243	15.9	22,066	11.7	4,493

Source: Tables in LAHC FDI, SAHF and SHMT Final Reports (Melbourne Institute Consortium, 2023). Proportions are taken from descriptive tables in these reports.

Table C.2 Participant characteristics by initiative

Label			Opportunity Pathways		Rent Choice - Start Safely		Rent Choice - Youth		Rent Choice - Assist		All Rent Choice (except Veterans)		Youth Development Scholarships	
			N	%	N	%	N	%	N	%	N	%	N	%
Female				61	7,578	98.2	1,153	71.1	231	57.5	8,994	92.0	1,246	56.1
Aboriginal				26	1,046	13.6	432	26.7	32	8.0			933	42.0
Culturally and Linguistically Diverse (CALD)				9	725	9.4	28	1.7	14	3.5			227	10.2
Age OP:	*Age RC:*	*Age YDS:*		*Age OP*		*Age RC*		*Age RC*		*Age RC*		*Age RC*		*Age YDS*
16-25	<25	Under 15		37	1,959	25.4	1,621	100.0	60	14.9	3,645	37.3	14	0.6
26-35	25-44	15		24	4,492	58.2			181	45.0	4,698	48.1	571	25.7
36-45		16		21									781	35.1
46-55	45+	17		13	1,262	16.4			161	40.0	1,434	14.7	638	28.7
Over 55		18		5									166	7.5
		19											33	1.5
		20											15	0.7
		Over 20											5	0.2
Disability				28									260	11.7
Receiving Income Support				86										
Housing Status at referral														
Housing Register				29									531	23.9
Public or Community Housing				42									1,142	51.4
Rent Choice/PRA				27									187	8.4
Unknown/other													129	5.8
Total number of observations with linked data			2,742		7,713		1,621		402		9,777		2,223	

Type of Rent Choice (including Veterans)		
Start Safely	7,713	78.5
Youth	1,621	16.5
Assist	402	4.1
Transition	41	0.4
Veterans	45	0.5
Total	9,822	

Label	Opportunity Pathways		Rent Choice - Start Safely		Rent Choice - Youth		Rent Choice - Assist		All Rent Choice (except Veterans)		Youth Development Scholarships	
	N	%	N	%	N	%	N	%	N	%	N	%
District												
Central Coast (Hunter Central Coast for OP and YDS)	512	16.1							685	7.3	333	22.7
Far West	29	0.9							6	0.1	<5	<0.4
Hunter New England (New England for OP and YDS)	167	5.3							1615	17.3	73	5.0
Illawarra Shoalhaven	319	10.1							772	8.3	119	8.1
Mid North Coast	268	8.4							649	7.0	75	5.1
Murrumbidgee	71	2.2							204	2.2	82	5.6
Nepean Blue Mountains	96	3.0							594	6.4	49	3.3
Northern NSW	300	9.5							400	4.3	62	4.2
Northern Sydney	149	4.7							259	2.8	12	0.8
South Eastern Sydney	241	7.6							451	4.8	50	3.4
South Western Sydney	344	10.8							1808	19.4	305	20.8
Southern NSW	101	3.2							385	4.1	<5	<0.4
Sydney	246	7.8							167	1.8	51	3.5
Western NSW	146	4.6							246	2.6	89	6.1
Western Sydney	184	5.8							955	10.2	168	11.4
Unknown									138	1.5		
Number of observations	3,173		7,713		1,621		402		9,334		1,468	

Source: SII Final Report on Opportunity Pathways, Youth Development Scholarships, and Rent Choice (ARTD Consortium, 2023). Proportions are taken from descriptive tables in this report or calculated from raw numbers in tables and figures where needed.

Appendix C Supplementary information on relocation analysis

C.1 Detailed information on data sources and variables used

The following briefly describes the additional administrative datasets that were linked.

Data Over Multiple Individual Occurrences (DOMINO)

DOMINO integrates information from multiple sources that are held by the Australian Government Department of Social Services. It includes information on all Australian social security and family payment recipients and describes their demographics and household situation, benefit receipt, housing situation and more. Data are held in daily event-format which gives an accurate picture of the individual's living circumstances throughout the year (rather than on a specific date only). Linking the spine to DOMINO allows the evaluation to include any individual's history of income support receipt even before and after the focal tenancy of interest for this analysis.

Client Information Management System (CIMS)

CIMS is a tool used by homelessness service providers in NSW to record client's needs, to match clients with accommodation vacancies, and to make appropriate referrals to other services. The records held in CIMS thus paint a picture of an individual's need for homelessness services as well as of services they received. The data are held by DCJ and have been made available to the evaluators to analyse social housing clients' access to and need for specialist homelessness services.

ChildStory / Key information and Directory System (KiDS)

ChildStory (which superseded the earlier system KiDS in 2017) is a digital toolkit used by child service providers and DCJ caseworkers to assess the specific needs and plan the care of children in need of child protection services. Information contained in ChildStory was linked to the data linkage spine for this project to evaluate if Future Directions had any impact on child protection services' involvement with children and families living in LAHC FDI dwellings.

NSW Bureau of Crime Statistics and Research's Reoffending Database (ROD)

ROD data contain finalised legal actions within the NSW Criminal Justice System (e.g. criminal court appearances, juvenile cautions, youth justice conferences, custody entries and exits). These data allow the analysis of the impact of improved social housing on individuals' safety outcomes and interactions with the Justice system.

Vocational Education and Training Provider Collection (VET PC) data

The VET PC is a national administrative collection of all student-course enrolments in vocational education and training and is administered by the National Centre for Vocational Education Research (NCVER). The data include detailed information on the course and the outcome of enrolments. The information from VET PC is used to examine whether LAHC FDI had a measurable impact on social housing clients' engagement in vocational training.

Department of Education administrative data

The NSW Department of education provided measures of school engagement and students' academic outcomes for children included in the data linkage spine.

NSW Department of Health administrative data

To assess social housing clients' use of health services, the NSW Department of Health supported this project with the linkage to information that describes admissions to hospitals, use of ambulatory health services, visits to emergency departments, and ambulance use. Datasets included are the NSW Admitted Patient Data Collection, NSW Mental Health Ambulatory Data Collection, NSW Emergency Department Data Collection, NSW Ambulance – Computer-Aided Dispatch, NSW Ambulance – Electronic Medical Record and NSW Ambulance – Patient Health Care Record.

Aggregate data

To assess the characteristics of the locations of vacated dwellings and dwellings the tenants relocated to, a range of data was extracted at the postcode level. These data include:

- A range of indicators compiled from the ABS Census such as population density and unemployment rates. All census data used in the report was collected on 9 August 2016, which is around the same time as the earliest tenancy in scope for this evaluation.
- Data provided by CIMS (see Section 2.3.1) was also used to create aggregate statistics on homelessness service usage rates at the postcode level, for the full observation window spanning financial years 2016/17 to 2020/21.
- Median rent and housing price data from DCJ Rent & Sales tables were available for the years 2018, 2019 and 2020. The closest available year to the tenancy start date was used in the analysis.
- Total drug offences, crimes and domestic violence reports per 100,000 persons on an annual level, were provided to the evaluators for the full window of observation (2016/17 to 2020/21) by BOCSAR.

Table D.1 Full list of outcomes, by domain of NSW Human Services Outcomes Framework

Outcome Measure	Notes	Unit of measurement	Population
DOMAIN HOME AND HOUSING: only reported at date of relocation			
Dwelling characteristics at start of tenancy			
Age of building	As recorded in HOMES	years	all tenancies
Dwelling type: House	As recorded in HOMES and CHIMES	yes/no	
Dwelling type: Unit		yes/no	
Dwelling type: Villa		yes/no	
Dwelling type: Bedsit	considered as an outcome, but information was not used because of small sample size.		
Dwelling type: Other			
Market Rent	Measured on 30 June during time period of interest. The market rent was set by LAHC for public housing and by CHPs for community housing. The market rent should in principle not be above the postcode's median rent.	A$, inflated to June 2021	
Dwelling distance to nearest…			
Primary School	As recorded in HOMES	meters	
High School			
TAFE			
Hospital			
Post Office			
Commercial zone B2	Local Centre. Allows for shops, offices, medical services, education facilities etc. for the local community. Typically applies to a Local Government Area. As recorded in HOMES		
Commercial zone B3	Commercial Core. High density retail and commercial stores, large scale offices, businesses and entertainment. Typically applies to Major cities, large town centres or regional centres. As recorded in HOMES		
Commercial zone B4	Mixed Use. Wide range of land use to be encouraged, including residential, commercial, community uses. Often close to commercial cores and major transport routes. As recorded in HOMES.		
Train station	As recorded in HOMES.		
DOMAIN HOME AND HOUSING: outcomes are monitored over time			
Rent payments and subsidies			
Market Rent	Measured on 30 June during time period of interest. The market rent was set by LAHC for public housing and by CHPs for community housing.	A$, inflated to June 2021	all tenancies

Outcome Measure	Notes	Unit of measurement	Population
Rent Charged	Measured on 30 June during time period of interest, excludes CRA. As recorded in HOMES and CHIMES.		
Difference between market rent and rent charged	Note that market rent, rent charged and difference between market rent and rent charged do not necessarily add up in the aggregate, as the difference may be known for some tenancies even though the individual components are not (for example, when not in social housing, the difference is zero).		
Overall housing stability			
was homeless	Sleeping rough. As identified in CIMS at time of seeking assistance and at the end of each data reporting period	yes/no	all individuals
was in insecure housing	In emergency accommodation. As identified in CIMS at time of seeking assistance and at the end of each data reporting period		
used homelessness services (for accommodation reasons)	received accommodation assistance, as recorded in CIMS.		
used homelessness services (homelessness prevention related)	received services as recorded in CIMS.		
DOMAIN SOCIAL & COMMUNITY: only reported at date of relocation			
Characteristics of dwelling location			
number of crimes per 100k population	At postcode of dwelling. Total number of crimes/offences/reports as recorded in NSW BOCSAR aggregate crimes data; population at postcode as reported in Census 2016.		all tenancies
number of drug offences per 100k population			
number of domestic violence reports per 100k population			
Median rent	At postcode of dwelling. DCJ Rent & Sales tables were available for the years 2018, 2019 and 2020.	A$, inflated to June 2021	
Median sales		A$, inflated to June 2021	
Homelessness service usage rate per 100k population	At postcode of dwelling. Measured by instances of support requests as recorded in CIMS for time period of interest.		
share of population who travel to work by public transport	At postcode of dwelling. Measured in Census 2016.	0-100%	
Median commuting distance (km) from place of usual residence	At postcode of dwelling. Measured in Census 2016.	kilometres	
unemployment rate	At postcode of dwelling. Measured in Census 2016.	0-100%	

Outcome Measure	Notes	Unit of measurement	Population
labour force participation rate	At postcode of dwelling. Measured in Census 2016.	0-100%	
Index of socio-economic disadvantage (SEIFA)	At postcode of dwelling. Measured in Census 2016.	1-10	
share of population who completed at least year 12	At postcode of dwelling. Measured in Census 2016. As % of persons aged 20+	0-100%	
DOMAIN SAFETY: outcomes are monitored over time			
Individual was in contact with child protection services		yes/no	individuals below age 18
Any contact with justice system	Only proven court appearances, at any point during period of interest. As recorded in NSW BOCSAR individual records.	yes/no	individuals aged 10 and above
Any domestic violence offence	Includes instances where at least one domestic violence offence was proven in court during period of interest. As recorded in NSW BOCSAR individual records.	yes/no	
Total days in adult custody/prison	As recorded in NSW BOCSAR individual records.	0-365 days	
Total days in juvenile custody/prison	As recorded in NSW BOCSAR individual records.	0-365 days	
DOMAIN ECONOMIC OUTCOMES: outcomes are monitored over time			
Income and employment			
Individual Gross Income	As recorded in HOMES on 30 June during time period of interest.	A$, inflated to June 2021	individuals aged 16 and above
Main income source: Centrelink	As recorded in HOMES on 30 June during time period of interest.	yes/no	
Main income source: Employment	As recorded in HOMES on 30 June during time period of interest.		
Main income source: Other Private Income	As recorded in HOMES on 30 June during time period of interest.		
At least one person in the household is in employment	As recorded in HOMES on 30 June during time period of interest.		
Income support			
Individual received income support	As recorded in DOMINO. Measured at any point during the time period of interest.	yes/no	individuals aged 16 and above
Total number of days of income support receipt during the year	As recorded in DOMINO. Summed up over the time period of interest.	0-365	
Total regular Centrelink payment amount over the year	As recorded in DOMINO. Summed up over the time period of interest. Excludes CRA. Includes all income support payments and family benefits.	A$, inflated to June 2021	

Outcome Measure	Notes	Unit of measurement	Population
DOMAIN EDUCATION OUTCOMES: outcomes are monitored over time			
School outcomes			
Changed school		yes/no	individuals aged 5 to 18
Completed school	Finished year 12.		individuals aged 17 or 18
Vocational education and training			
Person enrolled in VET course	As recorded in NCVER data	yes/no	individuals aged 16 and above
Person completed VET program			
Person enrolled in at least Certificate III VET course			
Person completed at least Certificate III VET program			
DOMAIN HEALTH OUTCOMES: outcomes are monitored over time			
Hospital utilisation			
Nr. hospital admissions (general)	Summed up over entire time period of interest. As recorded in NSW Admitted Patient Data Collection	whole number	all individuals
Days in hosp. (general)		0-365	
Nr. hospital admissions (psychiatric)		whole number	
Days in hospital (psychiatric)		0-365	
Nr. emergency room (ER) visits	Summed up over entire time period of interest. As recorded in NSW Emergency Department Data Collection.	whole number	
Nr. ER visits (w/o hosp. admission)		whole number	
Nr. ER visits (with hosp. admission)		whole number	
Ambulatory mental health (AMH) services			
Used AMH services, with a mental health diagnosis	At any point during time period of interest, an individual used ambulance services for mental health-related issues, excluding for factors such as drugs or alcohol. As recorded in NSW Mental Health Ambulatory Data Collection	yes/no	
Used AMH services, with any diagnosis		yes/no	
Ambulance call-outs			
Nr. ambulance trips	Summed up over entire time period of interest. As recorded in NSW Ambulance - Computer-Aided Dispatch, NSW Ambulance - Electronic Medical Record and NSW Ambulance - Patient Health Care Record.	whole number	
Used ambulance service		yes/no	
Services received in Medicare Benefit Schedule/Pharmaceutical Benefit Scheme			

Outcome Measure	Notes	Unit of measurement	Population
Nr. MBS services	Summed up over entire time period of interest. As recorded in MBS/PBS data	whole number	
Cost of MBS services	Total cost summed up over entire time period of interest, divided by number of services. As recorded in MBS/PBS data	A$, inflated to June 2021	
Nr. PBS scripts	Summed up over entire time period of interest. As recorded in MBS/PBS data	whole number	
Cost of PBS scripts	Total cost summed up over entire time period of interest, divided by number of services. As recorded in MBS/PBS data	A$, inflated to June 2021	
Source: Linked NSW administrative data (June 2021), see Section 2.3.1.			

C.2 Construction of analytical weights

This Appendix provides a more detailed description of the process by which comparison tenants are selected for every relocated tenant, their similarity is assessed, and a weight is assigned to the comparison tenant (see Section 2.3.3 for a broader overview of this procedure).

First, we record allocation zone and number of bedrooms of the dwelling they occupy for every relocated tenant, as well as their household structure (whether their household is a couple with children, a couple without children, a single woman living alone, a single woman living with a child, a single woman living with other household members, or a single man).[55] We record the same characteristics for all public housing tenants who were never relocated.[56] We then only keep relocated tenants and comparison tenants in the analysis, if there is at least one tenant with the same combination of allocation zone, number of bedrooms and household structure among their counterparts in the other group.

For this set of relocated tenants, we estimate the *propensity* of being a relocated tenant, as a function of a set of characteristics and previous outcomes. The characteristics included are their age (0-8, 9-15, 16-24, 25-54, and 55+), gender (male or female), whether they are Aboriginal (yes or no), whether they have a disability (yes or no), whether English is their main language (yes or no), how many adults are in the household (their number) and how many children (yes or no and if yes, their number), and a set if dummies that indicate the household structure (see previous paragraph for categories used). It also includes their income support receipt in the 366-730 days before their relocation date/their pseudo-relocation date (whether they received income support during that time yes/no, how many days in that period they received income support, and the total amount received over that period) and their utilisation of health services in the 366-730 days before their relocation date/their pseudo-relocation date (whether they stayed in hospital, how many days they stayed in hospital, separately for psychiatric unit and general hospitals), whether they used an ambulance and how many times, whether they used ambulatory mental health services, how many services covered under the Medicare Benefit Schedule (MBS) or the Pharmaceutical Benefit Scheme (PBS) they received, and how much the received MBS/PBS-services cost on average.) The “propensity score” (that is, the propensity for being a relocated tenant) is estimated using a probit-model, and can range from 0 to 1; both for tenants who were in fact relocated and those who were in fact not. It is a measure of similarity between

[55] We only include tenants in the general public housing stream, who were relocated for the (re-)development of a LAHC FDI dwelling, who were relocated only once during the observation period, who never lived in a SAHF or SHMT dwelling, for whom a relocation date was available, and for whom allocation zone, number of bedrooms and household structure at the time of relocation were known.

[56] Analogous to the previous restrictions, we only include tenants in the general public housing stream, who were never relocated during the observation period, who never lived in a SAHF or SHMT dwelling, and for whom allocation zone, number of bedrooms and household structure at the time of relocation were known. A “pseudo-relocation date” was assigned to them randomly, with the distribution of pseudo-relocation dates being identical to the distribution of actual relocation dates for relocated tenants in the same allocation zone.

tenants, with tenants who are more similar to each other having more similar propensity scores.

We then select one relocated tenant at random and compare them to each potential comparison tenant, one by one. If a potential comparison tenant is not identical to the relocated tenant in terms of allocation zone, number of bedrooms as well as household structure, this comparison tenant automatically receives an analytical weight of "0" as comparator for this relocated tenant. If they are identical on all three dimensions, we compare the relocated tenant's "propensity score" PS_r to the comparison tenants propensity score PS_c and calculate the "kernel" $K_{rc} = min\left\{0,\ 1 - \left(\frac{|PS_r - PS_c|}{0.01}\right)^2\right\}$. This kernel K_{rc} takes on value 1 if the propensity scores of both tenants are identical, and value 0 if the distance between the two propensity scores is greater than 0.01 or 1 percentage point. If the difference between both scores is between 0 and 0.01, the kernel takes on a value between 0 and 1 (the larger, the closer the propensity scores are to each other). Once this calculation has been performed for every combination of the randomly selected relocated tenant and any potential comparison tenant, all resulting kernels for comparison tenants are scaled up or down so they add up to a total of 1. The resulting scaled kernel is the "analytical weight" each potential comparison tenant is assigned as a comparator *for this particular relocated tenant*. The relocated tenant receives a weight of one.

This process is now repeated for every relocated tenant. Every potential comparison tenant can serve as a comparator for multiple relocated tenants, or they might never be selected for any of them and always receive an analytical weight of zero. In the end, all analytical weights are added up; every relocated tenant enters the analysis with weight 1, while every comparison tenant has a different weight, depending on how similar they are to how many relocated tenants. The sum of weights adds up to the total number of relocated tenants for both groups.

In this analysis, out of 1,245 relocated tenants, 193 had to be removed from the analysis because no comparison tenants were found who received an analytical weight of greater than zero (that is, no other tenant lived in the same allocation zone, in a dwelling with the same number of bedrooms, in a household with the same structure, and with a propensity score within 1 percentage point of that of the relocated tenant). 10,776 comparison tenants (out of 16,923 potential ones) were assigned an analytical weight greater than zero at least once (that means, they had a propensity score within 1 percentage point of a relocated tenant whom they matched exactly in allocation zone, number of bedrooms and household structure). Appendix D.3 shows the distribution of sociodemographic characteristics for relocated tenants and comparison tenants when the analytical weights are applied. This shows that the approach was successful as both groups are now extremely similar in their characteristics.

C.3 Characteristics of relocated tenants and other tenants

Table D.2 Characteristics of relocated tenants and other tenants

Characteristics	Relocated, total		Relocated before 2020/21		Not relocated		Difference between relocated and comparison tenants	
	Mean	N	Mean	N	Mean	N	Coefficient	p-value
Individual level information								
Female	55.7%	1052	56.3%	458	52.6%	10654	0.9%	0.704
Aboriginal	12.3%	908	11.6%	389	10.9%	8846	0.2%	0.900
Age between 0 and 8	13.8%	1058	11.8%	459	10.0%	10776	-1.5%	0.335
Age between 9 and 16	16.4%	1058	14.6%	459	12.6%	10776	-2.0%	0.251
Age between 17 and 24	15.7%	1058	16.6%	459	11.7%	10776	1.1%	0.543
Age between 25 and 39	19.5%	1058	19.8%	459	16.3%	10776	-0.8%	0.703
Age between 40 and 54	14.7%	1058	13.9%	459	17.3%	10776	-0.6%	0.705
Age 55 or more	19.8%	1058	23.3%	459	32.0%	10776	3.9%	0.056
Disability Status	14.7%	1058	14.4%	459	25.3%	10776	0.2%	0.896
English is main language	91.2%	749	92.0%	314	91.1%	5937	-1.3%	0.415
Household level information								
Total adults in the household	2.1	337	2.2	152	1.5	5307	-0.0	0.776
Total children in the household	1.0	337	0.8	152	0.5	5307	-0.2	0.040
=1 if children in the household	44.8%	337	40.1%	152	22.9%	5307	-6.5%	0.116
Number of people in the household	3.1	337	3.0	152	2.0	5307	-0.3	0.127
Composition: Single man	9.0%	335	12.5%	152	32.3%	5268	3.2%	0.244
Composition: Single woman	13.7%	335	13.2%	152	27.4%	5268	-1.2%	0.673
Composition: Single man with children	1.8%	335	0.7%	152	1.1%	5268	-1.5%	0.041
Composition: Single woman with children	26.3%	335	23.7%	152	13.6%	5268	-1.6%	0.658
Composition: Couple no children	5.1%	335	4.6%	152	2.2%	5268	0.4%	0.803
Composition: Couple with children	20.6%	335	20.4%	152	11.5%	5268	0.2%	0.955
Composition: Other with woman as head	9.3%	335	7.2%	152	4.7%	5268	-2.8%	0.218

Characteristics	Relocated, total		Relocated before 2020/21		Not relocated		Difference between relocated and comparison tenants	
	Mean	N	Mean	N	Mean	N	Coefficient	p-value
Composition: Other with man as head	14.3%	335	17.8%	152	7.3%	5268	3.2%	0.314
Relocated in 2017/18	0.9%							
Relocated in 2016/19	10.1%							
Relocated in 2019/20	34.1%							
Relocated in 2020/21	54.9%							

Source: Linked NSW administrative data (June 2021). Authors' own calculations.

Notes: The table reports how relocated tenants and comparison tenants differ in their sociodemographic characteristics. Columns 2 and 3 show the raw unweighted mean for all relocated tenants included in the analysis, and columns 4 and 5 for all relocated tenants who relocated before 1 July 2020. Columns 6 and 7 show the same for comparison tenants. Columns 8 and 9 show the coefficients of a series of regressions with the outcome variable as dependent variable, and relocation status as explanatory variable; the regression applies analytical weights designed to account for differences between relocated tenants and comparison tenants (see Appendix D.2). If the coefficient in column 8 is not different form zero, the relocated tenants and comparison tenants are not different from each other, confirming the validity of the estimation strategy.

C.4 Full results by outcome domain

D.4.1 Home and housing outcomes – reported at relocation date

Table D.3 Relocation impact on outcomes - Housing outcomes (dwelling characteristics)

HOME AND HOUSING	Vacated dwelling	New dwelling	Difference	p-value	N
Age of building (in years)	43.2	29.5	-13.7	0.000	239
Dwelling type: House	48.9%	49.3%	0.4%	0.920	337
Dwelling type: Unit	15.0%	19.6%	4.6%	0.124	337
Dwelling type: Villa	2.6%	6.5%	3.9%	0.018	337
Dwelling distance in metres to nearest…					
Primary School	861.1	923.8	62.7	0.183	237
High School	1203.0	1504.2	301.3	0.000	237
TAFE	4721.3	8144.5	3423.2	0.000	207
Hospital	3917.2	4901.4	984.2	0.001	235
Post Office	773.8	1244.7	470.8	0.000	202
Commercial zone B2	2028.3	2458.8	430.4	0.052	217
Commercial zone B3	3311.0	4513.9	1202.9	0.000	217
Commercial zone B4	1320.3	2368.3	1048.0	0.000	221
Train station	3040.8	3169.9	129.1	0.795	217

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: The table reports how the relocation experience changed the reported outcomes. Columns 2 and 3 report simple, unweighted means; columns 4 and 5 report the difference between them, as well as a p-value to a t-test whether it is different from zero. Column 6 shows the sample size.

D.4.2 Housing outcomes – monitored over time

Table D.4 Relocation impact on outcomes - Housing outcomes (individual and household outcomes)

HOME AND HOUSING OUTCOMES	Relocated tenants				Comparison tenants			Effect Relocation		
	Before	After	Diff.	p-value	Before	After	Diff.	**Coeff.**	p-value	N
Rent payments and subsidies										
Market Rent (in $ per week)	334.3	406.1	71.9	0.000	380.9	382.1	1.2	78.0	0.000	4183
Rent Charged 30 June Excl CRA (in $ per week)	181.3	195.9	14.6	0.001	156.1	152.3	-3.8	22.2	0.000	4172
Difference market Rent and rent paid (in $ per week)	152.9	210.2	57.3	0.000	224.8	229.7	4.9	55.7	0.000	4172
Overall housing stability										
was homeless	suppressed – low variation			0.318	1.9%	1.9%	0.0%	0.5%	0.318	11235
was in insecure housing	suppressed – low variation			0.415	3.1%	2.8%	-0.4%	-0.3%	0.585	11235
was at risk of homelessness	suppressed – low variation			0.083	3.4%	3.3%	-0.1%	1.2%	0.124	11235
used homelessness services (for accommodation reasons)	suppressed – low variation			0.564	1.6%	1.7%	0.1%	-0.3%	0.402	11235
used homelessness services (homelessness prevention related)	suppressed – low variation			0.021	3.0%	3.1%	0.1%	1.6%	0.037	11235

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: The table reports how the relocation experience changed the reported outcomes. Columns 2 to 5 refer to tenants who relocated and report simple, unweighted means, as well as a t-test whether the means in columns 2 and 3 are statistically different from each other. Column 6 to 8 refers to the unweighted difference in outcomes before and after "pseudo"-relocation for comparison tenants. Columns 9 and 10 shows the coefficient of a weighted regression of the change in outcomes on relocation status, as well as the coefficient's p-value. Column 11 shows the sample size.

Unweighted means among relocated tenants for measures of housing stability are suppressed because the number of positive or negative cases is small.

Comparison tenants are selected to be identical to relocated tenants in allocation zone, number of bedrooms in their dwelling, and household structure. Results for comparison tenants are weighted using analytical weights; the weights are constructed to make the distribution of comparison tenants' outcomes one to two years prior to relocation comparable to relocated tenants' outcomes (see Section 2.5.3 and Appendix D.1 for details).

D.4.3 Social and community outcomes – reported at relocation date

Table D.5 Relocation impact on outcomes – Social and community outcomes (neighbourhood characteristics)

SOCIAL AND COMMUNITY OUTCOMES	Vacated dwelling	New dwelling	Difference	p-value	N
Number of crimes per 100,000 population	14320.4	11623.9	-2696.5	0.000	258
Number of drug offences per 100,000 population	700.7	644.4	-56.3	0.053	258
Number of domestic violence reports per 100,000 population	927.9	629.1	-298.8	0.000	258
Median rent (in $ per week)	403.7	419.9	16.2	0.003	258
Median sales (in thousands of $)	788.6	716.3	-72.3	0.060	232
Homelessness service usage rate per 100,000 population	97.1	76.0	-21.1	0.004	214
Share of population who travel to work by public transport (%)	17.0	17.2	0.2	0.718	258
Median commuting distance (km) from place of usual residence	15.2	16.6	1.4	0.005	258
Unemployment rate (%)	13.5	9.0	-4.5	0.000	258
Labour force participation rate (%)	55.4	61.8	6.3	0.000	258
Index of socio-economic disadvantage (SEIFA)	2.8	3.7	0.9	0.000	258
Proportion of population who completed at least year 12, as % of persons aged 20+	45.2	51.6	6.4	0.000	258

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table D.3 in Appendix D.4.1 All characteristics of the dwelling's neighbourhood are measured at the postcode level.

D.4.4 Economic outcomes

Table D.6 Relocation impact on outcomes – Economic outcomes

ECONOMIC OUTCOMES	Relocated tenants				Comparison tenants			Effect Relocation		
	Before	After	Diff.	p-value	Before	After	Diff.	**Coeff.**	p-value	N
Income and employment										
Individual Gross Income	503.9	549.1	45.2	0.002	473.7	467.7	-6.0	61.9	0.000	5367
Main income source: Centrelink	81.6%	79.7%	-1.9%	0.318	87.1%	87.7%	0.6%	-3.4%	0.089	5379
Main income source: Employment	15.5%	16.4%	1.0%	0.565	10.3%	9.3%	-1.0%	2.4%	0.160	5379
Main income source: Other Private Income	1.4%	1.4%	0.0%	1.000	1.1%	1.1%	0.0%	0.0%	0.950	5379
At least one person in the household is in employment	25.1%	26.4%	1.3%	0.431	16.4%	14.2%	-2.3%	4.8%	0.006	10163
Income support										
Individual received income support at any point during the year	64.4%	67.7%	3.3%	0.022	73.4%	74.5%	1.1%	1.0%	0.483	8553
Total number of days of income support receipt during the year	215.9	231.0	15.0	0.002	249.6	257.7	8.1	-0.3	0.952	8553
Total regular Centrelink payment amount (excl. CRA) over the year (in $ per year)	13132.8	13456.5	323.7	0.171	14946.5	15214.1	267.6	24.2	0.927	8553

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table D.4 in Appendix D.4.2

D.4.5 Safety and empowerment outcomes

Table D.7 Relocation impact on outcomes – Safety and empowerment outcomes

SAFETY AND EMPOWERMENT	Relocated tenants				Comparison tenants			Effect Relocation		
	Before	After	Diff.	p-value	Before	After	Diff.	**Coeff.**	p-value	N
Individual was in contact with child protection services	25.2%	26.0%	0.8%	0.820	29.2%	30.8%	1.5%	-0.6%	0.867	2731
Any contact with justice system	5.0%	3.5%	-1.5%	0.221	5.4%	4.6%	-0.7%	-0.5%	0.676	9932
Any domestic violence offence	suppressed – low variation			0.655	1.1%	1.0%	-0.1%	-0.2%	0.678	9932
Total days in adult custody/prison	0.970	0.399	-0.570	0.495	3.478	2.981	-0.497	-0.415	0.635	9932
Total days in juvenile custody/prison	suppressed – low variation			0.318	0.067	0.078	0.011	-0.009	0.840	9932

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table D.4 in Appendix D.4.2 Unweighted means among relocated tenants for domestic violence and days in juvenile custody are suppressed because the number of positive or negative cases is small.

D.4.6 Education outcomes

Table D.8 Relocation impact on outcomes – Education outcomes

EDUCATION OUTCOMES	Relocated tenants				Comparison tenants			Effect Relocation		
	Before	After	Diff.	p-value	Before	After	Diff.	**Coeff.**	p-value	N
School outcomes										
Changed school	10.0%	12.7%	2.7%	0.515	10.6%	8.4%	-2.2%	4.9%	0.250	2273
Completed school	suppressed – low variation			0.430	16.2%	14.9%	-1.3%	-12.8%	0.366	320
Vocational education and training										
Person enrolled in VET course	15.0%	16.3%	1.3%	0.707	10.4%	11.0%	0.7%	3.8%	0.404	4797
Person completed VET program	suppressed – low variation			0.407	1.5%	1.7%	0.3%	-2.0%	0.408	4797
Person enrolled in at least Certificate III VET course	6.5%	7.8%	1.3%	0.529	4.5%	5.6%	1.1%	0.2%	0.928	4797
Person completed at least Certificate III VET program	suppressed – low variation			0.656	0.7%	0.9%	0.2%	-0.9%	0.554	4797

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table D.4 in Appendix D.4.2 Unweighted means among relocated tenants for school completion and VET course completion are suppressed because the number of positive or negative cases is small.

D.4.7 Health outcomes

Table D.9 Relocation impact on outcomes – Health outcomes

HEALTH OUTCOMES	Relocated tenants				Comparison tenants			Effect Relocation		
	Before	After	Diff.	p-value	Before	After	Diff.	**Coeff.**	p-value	N
Hospital utilisation										
Nr. hospital admissions (general)	0.408	0.257	-0.151	0.420	0.544	0.562	0.018	-0.154	0.418	7119
Days in hosp. (general)	0.680	0.941	0.261	0.505	1.831	1.831	0.000	0.423	0.295	7119
Nr. hospital admissions (psychiatric)	suppressed – low variation			0.180	0.048	0.054	0.006	0.007	0.426	7119
Days in hospital (psychiatric)	suppressed – low variation			0.158	0.737	0.872	0.136	0.009	0.877	7119
Nr. emergency room (ER) visits	0.449	0.355	-0.094	0.065	0.617	0.626	0.009	-0.102	0.053	11235
Nr. ER visits (w/o hosp. admission)	0.312	0.235	-0.076	0.051	0.396	0.414	0.018	-0.091	0.025	11235
Nr. ER visits (with hosp. admission)	0.137	0.120	-0.017	0.480	0.221	0.212	-0.009	-0.012	0.640	11235
Ambulatory mental health (AMH) services										
Used AMH services, for MH issues	4.1%	5.0%	0.9%	0.415	7.3%	6.9%	-0.4%	1.0%	0.361	11235
Used AMH services, for all issues	4.1%	5.4%	1.3%	0.240	7.4%	7.1%	-0.3%	1.5%	0.197	11235
Ambulance call-outs										
Used ambulance service	10.2%	10.2%	0.0%	1.000	14.4%	15.1%	0.7%	-0.5%	0.762	11235
Nr. ambulance trips	0.198	0.150	-0.048	0.203	0.291	0.323	0.032	-0.071	0.066	11235
Services received in Medicare Benefit Schedule/Pharmaceutical Benefit Scheme										
Nr. MBS services	18.7	16.9	-1.8	0.096	19.9	20.3	0.4	-2.1	0.065	11235
Cost of MBS services (in $ per year)	1064.5	935.3	-129.2	0.039	1154.0	1188.3	34.3	-138.5	0.031	11235
Nr. PBS scripts	13.0	12.4	-0.6	0.284	17.8	17.7	-0.1	-0.6	0.263	11235
Cost of PBS scripts (in $ per year)	560.0	511.8	-48.1	0.719	1069.5	985.9	-83.6	-23.8	0.867	11235

Source: Linked NSW administrative data (June 2021), see Section 2.3.1. Authors' own calculations.

Notes: see Table D.4 in Appendix D.4.2 Unweighted means among relocated tenants for utilisation of psychiatric units in hospitals are suppressed because the number of positive or negative cases is small.

Appendix D Summary of the use of evidence in policy formulation documents

Table E.1: Summary of the use of evidence in social housing policy*

Document/ Group of documents	Overall theme or goal of the document/s	Type of research evidence (Method)			Type of publication		
		Qualitative data	Quantitative Data	Theory	Peer-reviewed	Technical monograph/ book	Grey literature/ Govt Reports & evaluations
Evaluation: Target Client Groups for Medium Term Private Rental Subsidy Product (2015)	Identify tenants who were able to transition to the private market and those who most benefit	Interviews with representatives of state housing departments in QLD and SA and FACS NSW staff Evidence synthesis – literature review of national and international literature – to identify tenants who could transition	Tenant data	NA	Unclear – no ref list	Unclear – no ref list	Unclear – no ref list
Evaluation: **Longer Term Outcomes for Private Rental Assistance to Households (Longitudinal Study 2008 – 2013)**	This is an evaluation of Rentstart – Successes in transitioning tenants to the private market	NA	Tenant data	NA	Not counted#	Not counted#	Not counted#
Evaluation: **Evaluation of Start Safely Private Rental Subsidy for FACS-Housing NSW (2014)**	Evaluation by UNSW SPRC evaluation a program that provides short to medium term private rental subsidy to those	Qual interviews	Administrative data	NA	Not counted#	Not counted#	Not counted#

Document/ Group of documents	Overall theme or goal of the document/s	Type of research evidence (Method)			Type of publication		
		Qualitative data	Quantitative Data	Theory	Peer-reviewed	Technical monograph/ book	Grey literature/ Govt Reports & evaluations
	homeless or at risk of homelessness due to domestic or family violence						
Evaluation: **Evaluation of the Youth Subsidy Demonstration Project (2015)**	Evaluation by Consultants Purpose is to evaluate a program which provides PRA and support services (employment, education and training) to young people who are homeless or at risk of homelessness	Qual interviews with youth	Administrative data	NA	Not counted#	Not counted#	Not counted#
Policy Development: **Client Transitions out of Social Housing and Re-entry (Presentation 1-2, 2015)**	Clients transitions out of social housing and re-entry – Series of slides on 'what the evidence says' but no referencing	NA	Some data provided on clients in NSW housing (exits from social housing)	NA	N = 0	N = 0	N = 0
Policy Development: **Client Transitions out of Social Housing and Re-entry (Discussion Paper)**	Clients transitions out of social housing and re-entry –	Appears to include references using some qualitative data	Tenant outcomes - Administrative data collected from Census, ABS, Housing NSW and	NA	N = 0	N = 0	N = 12

Document/ Group of documents	Overall theme or goal of the document/s	Type of research evidence (Method)			Type of publication		
		Qualitative data	Quantitative Data	Theory	Peer-reviewed	Technical monograph/ book	Grey literature/ Govt Reports & evaluations
			FACS (plus others).				
Policy Origins: Social Housing Policy – Current and Future Housing vulnerability in NSW (Draft Discussion Paper 1)	Social Housing use and potential future demands Tennant vulnerability and capacity to transition to the private market	NA	Housing stock Tenant demographics Administrative data	Alluding to incentives and disincentives in policy origin docs	N = 2	N = 0	N = 35
Policy Origins: Social Housing Policy – Vulnerability and Personal Responsibility (Discussion Paper 2)	Tennant vulnerability and capacity to transition to the private market	NA	Administrative data	NA	N = 1	N = 0	N = 3
Policy Origins: Social Housing Policy – Market and Government Influence on Vulnerability (Discussion Paper 3)	Impact of private market and tenant vulnerabilities and how its impacted by policy	NA	Tenant demographics, Administrative and costing data	NA	N = 2	N = 1	N = 12
Policy Origins: Social Housing Policy – Levers and Opportunities for Social Housing Reform (Discussion Paper 4)	Key opportunities for transition to the private market	NA	Tenant Demographics NSW Housing Stock (mentions)	NA	N = 0 (Draws on information from prior discussion papers)	N = 0	N = 0

Document/ Group of documents	Overall theme or goal of the document/s	Type of research evidence (Method)			Type of publication		
		Qualitative data	Quantitative Data	Theory	Peer-reviewed	Technical monograph/ book	Grey literature/ Govt Reports & evaluations
Policy Origins: Social Housing Policy – Ways Forward: Options and Scenarios for Change (Discussion Paper 5)	Options to improve social housing for vulnerable people. 6 key changes to actions	Refers to use of social benefit bonds in UK	Quantitative data on NSW housing estates	Refers to behaviour change principles	N = 1	N = 0	N = 7
Policy Origins: Developing a New Policy Approach to Social Housing in NSW – Reform Discussion Paper	Pitch and discuss ideas for the reform of NSW housing	NA	Data on tenants on NSW registry; data from those receiving public housing (education, employment, health) cost data	NA	N = 1	N = 0	N = 17
Policy Origins: NSW Social Housing Policy – Reform Discussion Paper and Public Consultation	Summarise reforms for cabinet submission	Mention Reform discussion paper but no ref	Mention cost data and tenant demographic data from NSW but no ref	NA	NA	NA	NA
Policy Origins: A New Policy Approach to Social Housing Communications Strategy	Identifies stakeholders and outlines communication strategies and timelines, about the	NA	NA	NA	NA	NA	NA

Document/ Group of documents	Overall theme or goal of the document/s	Type of research evidence (Method)			Type of publication		
		Qualitative data	Quantitative Data	Theory	Peer-reviewed	Technical monograph/ book	Grey literature/ Govt Reports & evaluations
	NSW Housing reform						
Social Housing Policy Steering Committee Papers on BCG Analysis (2015, 11 documents)	Agenda discussions of social housing strategies	Mentioned lit review for development of 'rent choice' - no ref	Mention use of costs and benefits data modelling from previous transfer. Tenant data, profiles and needs		N=6	N=0	N=27
Cabinet Minutes – NSW Social Housing Policy (June 2013, 6 documents)	Outline proposed directions for social housing in NSW	NA	Mentioned NAPLAN	NA	N=0	N=0	N=2
ERC submission documents **(10 documents)**	Outline business case and social housing reform for Future Directions Strategy	High use of education related data	Cost and business case data, Tenant-Child-education outcomes		N=0	N=0	N=-27

Notes: *Based on SAGE tool for how policy makers engage with and use research in policymaking (Makkar et al. 2016)

References not counted in evaluation reports as these documents are used as a primary resource for other discussions and policy reforms

NA=Not Applicable

Appendix E CFIR implementation domains and constructs common across Future Directions programs

Table F.1 CFIR implementation domains and constructs common across Future Directions programs

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
Characteristics of the FD initiatives							
Complexity	How complex FD initiatives are for CHPs to implement	• The use of different package areas was initially complex to understand, but CHPs saw its value and could plan accordingly • The design/ incorporation of CRA was complex but also made it viable for CHPs to undertake SHMT	• Lack of visibility of maintenance contracts and what they involved • Complex and lengthy tender process	n/a	Staff described SAHF, particularly the contract and reporting, as highly complex and time consuming	Locations of LAHC FDI projects are appropriately chosen and allocated, based on 'opportunity cohorts' for moving along the housing continuum, as described by CHPs. This enables tailored service delivery options that CHPs specialise in.	• Stakeholders perceived LAHC FDI project contracts and planning and approval processes as lengthy and complex to navigate. • In turn, these complexities were observed during project delivery and tenanting, including through day-to-day constraints of mixed tenured living (shared common spaces)
Relative advantage	CHP perception that FD initiatives are advantageous compared with	SHMT as a management transfer meant was seen to be less disruptive to tenants than other alternative program solutions, as	CHPs took management of an ageing stock portfolio, which required maintenance and upkeep that was perceived to be	• Staff indicated that SAHF substantially increased the amount of funding available for the housing sector, which was	n/a	• LAHC FDI is perceived to demonstrate commitment to developing communities and reduce stigma/improve	At the time of the evaluation, it was early into implementation of these projects, so stakeholders acknowledge their perceptions are

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
	an alternative initiative	tenants could stay where they were currently living.	linked with tenant dissatisfaction.	not available previously • Increased funding and focus on Tenant Support Coordination under SAHF is highly valued by ServiceCo staff as this allows for increased client touchpoints and provision of additional supports		attitudes toward social housing. • This in turn sends a message that communities have not been forgotten. • Projects appear to be mutually beneficial from all stakeholder perspectives	based on the experience to date and predicted ongoing implementation efforts
Consequences and implications	How being successful bidders has changed CHPs, created financial considerations and/or unforeseen effects	• Transfer process very cost-effective relative to growth of CHP • Increased standing of CHPs (in existing sites) • Expanded footprint of CHPs (in new sites)	• Tendering process involved significant costs • Staff recruitment and new office/service setup was costly • Unforeseen/poor visibility of maintenance costs impacted CHP budgets	n/a	Upfront and unexpected costs were particularly burdensome, and ServiceCos spent significant time to avoid fees	n/a	LAHC FDI created additional burden for relocations staff and councils.
Characteristics of CHPs							
Structural features	The social architecture, age, maturity and size of a CHP	CHPs' size, available resources, service delivery expertise and team composition helped with implementation	Growth (of staff and portfolio) and geographic expansion were challenging	SAHF ServiceCos were already large, established entities in the sector. SAHF serves as a springboard for CHPs to grow, offering perceived	The scale of SAHF required some structural re-shifting within program teams to undertake the early implementation of the program	The size of stakeholder organisations (notably CHPs and developers) made them a good fit for their projects, especially larger organisations when	n/a

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
				increased capacity and reputation		implementing major projects and new communities (as they could leverage existing workforce presence in the area, community development functions, and resourcing).	
Available resources	The level of resources (e.g. money, training and physical space) dedicated to implementation	CHPs generally made sufficient resources available to ensure smooth implementation	Resourcing was a challenge for CHPs starting in new sites (e.g. due to longer training/induction for new staff, relocation of existing staff and finding appropriate workspace)	Staff described sufficient staffing to fulfill duties, either due to recent onboarding of new staff or having a highly staffed ServiceCo to start	• Staff described insufficient staffing to fulfill duties, particularly needs assessments • Tenanting phases were resource-intensive, often leaving existing sites under-resourced	Staff across all stakeholder groups were equipped with suitable workforce and skills to implement LAHC FDI (or participate in the case of DCJ relocations and council).	n/a
Compatibility	How FD initiatives align with a CHP's mission, values and existing workflows and systems	• General perception that CHPs, as specialist organisations, could offer service delivery above and beyond that of government • General perception that SHMT allows CHPs to continue	There were some practical challenges in ex-DCJ staff moving to CHPs (e.g. differences in employment terms between the public and private sector)	SAHF aligns with pre-existing services the ServiceCos provide and financially allows CHPs to continue and expand their work in the housing sector Tenant Support Coordination is perceived to align well with ServiceCos' existing	Staff perceive the ServiceCo as not having sufficient experience to provide large-scale community housing or believe SAHF is not designed for their current clientele	All stakeholders perceive that LAHC FDI projects align with their organisational mission and function. For some, i.e. developers, this has been a new venture, whereas for others, LAHC FDI is an extension of re-alignment of their role and	Bringing a range of stakeholders with different perceptions, points of view and remit within their roles has created tensions at points during all phases of implementation (from contracting, planning and approvals to

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
		what they are already doing, but at a greater scale		service provision and the profile and experience of ServiceCo staff		mission (ultimately to create a better experience for social housing tenants and/or to facilitate movement through the social housing continuum).	construction and tenanting).
Characteristics of CHP staff							
Knowledge and beliefs about FD initiatives	Individuals' attitudes toward and value placed on FD initiatives projects, and/or their familiarity or experience with other similar projects	• CHP staff were generally familiar with stock transfers similar to SHMT and recognise potential benefits • Experience with SHMT enabled buy-in among staff teams	Familiarity with, and knowledge of other stock transfers meant staff could identify complexities in SHMT design. This represented an additional challenge to ensuring collective buy-in.	• Staff described themselves as highly supportive of SAHF and viewed its' implementation as highly successful • Staff were enthusiastic about the quality and quantity of housing being introduced and the outcomes-focused nature of SAHF	Staff voiced hesitancy around the feasibility of transitioning tenants through the housing continuum	Stakeholders believe in the mixed communities design and rationale and take delivering projects aimed at this objective seriously.	Stakeholders perceive a challenging transition period between developing mixed community projects and operating them on a day-to-day basis.
External contextual factors							
Social connectedness	Quality of relationships and interactions a CHP has with other organisations (e.g. DCJ, LAHC, other	CHPs are part of a collaborative and close-knit sector, which enables collaboration between CHPs, with DCJ and other services	Regional locations made relationships more difficult to build/sustain	• Staff describe strong relationships with external service providers, which enabled them to meet tenant needs and deliver SAHF as intended	• Staff describe limited collaboration with other ServiceCos, citing this as a missed opportunity to share experiences	• The relationship between LAHC and the delivery partner is seen to be pivotal in the success of the project. • Stakeholders perceive strong working	• Staff turnover on projects was a significant barrier to ongoing working relationships within projects, though this was able to be

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
	CHPs and peak bodies)			• The relationship with DCJ is perceived as strong, characterised by collaboration and open communication	and learn from each other • The relationship with DCJ is perceived as strained, lacking collaboration and partnership	relationships within and alongside the project consortium. This was likely enabled by the size and scale of projects, and collaborative approach was required to implement the projects successfully. • Involving stakeholders in the local community was perceived to create a smooth implementation environment for projects and/or transition process for tenants.	overcome over time. • Stakeholders perceive that communication challenges between government and all LAHC FDI parties resulted in delays to implementation, particularly during early activities such as contracting, planning and approval.
Tenant needs and resources	Stakeholder perception that tenant needs (as well as barriers and enablers to meet those needs) are accurately known and prioritised	CHPs built on their expertise and knowledge of the local context to assist with a smooth implementation of the transfer	CHPs faced some engagement and communication challenges with tenants (e.g. in explaining how Commonwealth Rent Assistance would work)	• ServiceCo staff have a good understanding of tenant needs and take action to ensure these needs are met • Staff describe tenant happiness and wellbeing as a driving factor for their	n/a	• All stakeholders perceive that they, and others involved in the implementation of LAHC FDI have an understanding of tenant needs and take action to ensure these needs are met. • There appears to be a shared	Stakeholders perceive that despite aiming to deliver and build mixed tenure, integrated communities, that practical challenges exist such as strata titles, *'salt and peppering'* and common shared spaces that may undermine the

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
				commitment to SAHF		commitment to the implementation of projects and to successfully develop mixed tenure communities across NSW.	intention of mixed communities and LAHC FDI.
Implementation processes							
Engaging	Attracting and involving appropriate individuals and making sure they have a shared understanding and buy-in	• CHPs were generally proactive in appointing staff • CHPs were generally proactive in engaging with tenants and services in the community	• Staggered approach to going live meant delays for providers in recruitment and timely external engagement • DCJ expression of interest perceived to favour earlier go-live CHPs, making recruitment more challenging for later providers	Staff described successful recruitment of project managers and team leaders, some of which acted as champions of SAHF	Staff described insufficient or inappropriate recruitment of project managers or team leaders, resulting in increased workload for other staff	Stakeholders, in particular CHPs and developers, reflect on efforts to meaningfully engage with each other from a consortium and working partnership perspective, to understand the perspectives of different stakeholders. They also engaged with their community to build interest and support in the project.	Stakeholders perceived that delays in planning and defining the scope of some projects created further delays for organisations in engaging important implementation enablers such as local service providers, financiers, and the local community.
Executing	Implementing according to plan	• CHPs developed detailed implementation plans for SHMT as part of the tendering process	• Implementation plans needed to be re-visited because of other barriers (complexity) • CHPs needed to execute key aspects of go-live	Staff describe implementation as highly successful and stated the ServiceCos are meeting targets	n/a	Stakeholders perceive that, although early in implementation, the generation of revenue from property sales to regenerate social	Challenges to implementing LAHC FDI as intended have been experienced in the form of unintended negative consequences of project

Implementation Domain/ Construct	Definition	SHMT		SAHF		LAHC FDI	
		How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)	How acted as an enabler (+)	How acted as a barrier (–)
			in challenging timeframes			assets appears to be successful.	delivery/mixed communities.

Appendix F The use of tenant interest and voice in public and private documents about the Future Directions Strategy

This Appendix outlines the process used to identify the extent to which tenant voice and tenant interest were used to justify the different elements of Future Directions Strategy programs (SAHF, SHMT and LAHC FDI) and the Service Improvement Initiative in a series of public, internal and confidential documents related to the Strategy development process.

F.1 SAHF

The Social and Affordable Housing Fund (SAHF) program has seven main design features:

1. More appropriate (fit-for-purpose) dwellings
2. New social housing units
3. Tailored Support Coordination
4. Affordable and social housing
5. Tenancy management by non-governmental organisations
6. Accountable to achieving Social Housing Outcomes for tenants
7. New social and affordable housing in regional and rural areas (as well as urban)

Table G.1 illustrates that each of the features of the SAHF program has been designed with reference to either tenant interest or voice, with substantial use of tenant voice. We were able to identify evidence of the use of tenant voice to justify each element of the SAHF program in at least two, but in most cases three, of the public documents. Unlike the other programs, there is evidence of a consultation process that was undertaken that focused specifically on the SAHF program (*Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund*), providing a source of evidence of tenant voice that is specific to this program.

Table G.1: Tenant voice/interest to justify elements of SAHF

Element of SAHF	Tenant voice or interest cited in:						
	Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard?*	*Thinking About the Future*	*Report on the Development, Structure and Operations of the NSW SAHF*	*Social and Affordable Housing NSW Fund Bill 2016*	Confidential documents from DCJ[57]	*Future Directions for Social Housing in NSW*
More appropriate (fit-for-purpose) dwellings	Tenant interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	No tenant voice or interest cited
New social housing units	No tenant voice or interest cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interest cited
Tailored Support Coordination	Tenant interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interest cited
Affordable and social housing	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interest cited
Tenancy management by non-governmental organisations	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	No tenant voice or interest cited
Accountable to achieving Social Housing outcomes for tenants[58]	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Not checked	No tenant voice or interest cited

[57] For elements where tenant voice/interest was cited in more than half of the public documents, no further analysis of confidential documents was deemed necessary.

[58] Final outcomes for social housing have not been published publicly. So, in order to assess whether these documents contained references to tenants saying that they believed a housing provider plays a role in contributing to the attainment of social housing outcomes (tenant voice), or general references to how housing providers could play a role in contributing to tenants' attainment of social housing outcomes (tenant interest), we used the list of preliminary outcomes identified on page 15 of the *Social Housing Indicator Framework Final Report (2017)* available here: https://communityhousing.org.au/wp-content/uploads/2020/12/IDS4_CSI_SocialHousingIndicatorFramework.pdf

Element of SAHF	Tenant voice or interest cited in:						
	Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard*?	*Thinking About the Future*	*Report on the Development, Structure and Operations of the NSW SAHF*	*Social and Affordable Housing NSW Fund Bill 2016*	Confidential documents from DCJ[57]	*Future Directions for Social Housing in NSW*
New social and affordable housing in regional and rural areas (as well as urban)	No tenant voice or interest cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interest cited

It is interesting to note that the flagship policy document *Future Directions for Social Housing in NSW* has the weakest basis in tenant voice.[59] In this document, tenant interest, rather than tenant voice was used to justify the program.

F.2 SHMT

The Social Housing Management Transfer (SHMT) has two main design features:

1. Tenancy management by NGOs
2. Accountability of those NGOs that they support tenants to achieve certain outcomes

Both the public and confidential documents analysed for this evaluation contained references to tenant interest and voice as justification for these two features of SHMT. Although there was substantially less documentation of tenant interest and voice in relation to SHMT compared to SAHF, the evidence of tenant voice for both features is reasonably strong. Table G.2 demonstrates that there is strong evidence of tenant voice justifying the second feature of SHMT (accountability to achieving social housing outcomes for tenants), with three of the four documents reflecting tenant voice in support of this feature, and one document reflecting tenant interest. There is less evidence in support of the first feature (tenancy management by non-governmental organisations), with only two of the four sources citing tenant voice. Nevertheless, the evidence provided in these two sources is strong. The *What we heard* document included comments from participants in the consultation process who argued that CHPs are well-positioned to manage social housing, and should play a bigger role in the sector, while the evidence in the confidential documents is drawn from the National Social Housing Survey 2012 (https://www.aihw.gov.au/reports/housing-assistance/national-social-housing-survey-2012-a-summary-of/contents/table-of-contents), in which survey data demonstrates

[59] Our analysis of this document demonstrated that there were only two times where tenant voice was used – to describe disincentives to work (p. 14), and to describe tenants' dissatisfaction with social housing in NSW compared to other jurisdictions (p. 20).

that CHPs were rated better than the government in all areas of service provision for social housing tenants.

Like the SAHF program, no reference is made to tenant voices in support of any element of the SHMT program in the flagship *Future Directions for Social Housing in NSW* policy document. This omission is significant given the strong evidence of tenant voice supporting this part of the policy that exists in other documents. Again, it contributes to a lack of transparency with regard to how tenants have contributed to the development of the policy that allows policy makers to avoid justifying which parts of tenants' input were addressed, which were not and why.

Table G.2: Tenant voice/interest to justify SHMT

Element of SHMT	**Tenant voice or interest cited in:**					
	Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard*?	*Thinking About the Future*	*Report on the Development, Structure and Operations of the NSW SAHF*[60]	Confidential documents from DCJ[61]	*Future Directions for Social Housing in NSW*?
Tenancy management by non-governmental organisations	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited
Accountable to achieving Social Housing outcomes for tenants[62]	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant interests cited

F.3 LAHC FDI

The following eight features characterise LAHC FDI:

1. Redevelopment of existing social housing stock through public-private partnerships
2. Tenancy management by non-governmental organisations

[60] Although this report focuses specifically on the SAHF program, the lack of documentation justifying the SHMT program on the grounds of tenant voice or interest, as well as the fact that there is overlap in some design features between SHMT and SAHF, suggests that we can apply these voices and perspectives to the justification of the SHMT features as well.
[61] For elements where tenant voice/interest was cited in more than half of the public documents, no further analysis of confidential documents was deemed necessary.
[62] Final outcomes for social housing have not been published publicly. So, in order to assess whether these documents contained references to tenants saying that they believed a housing provider plays a role in contributing to the attainment of social housing outcomes (tenant voice), or general references to how housing providers could play a role in contributing to tenants' attainment of social housing outcomes (tenant interest), we used the list of preliminary outcomes identified on page 15 of the *Social Housing Indicator Framework Final Report (2017)* available here: https://communityhousing.org.au/wp-content/uploads/2020/12/IDS4_CSI_SocialHousingIndicatorFramework.pdf

3. Modern redeveloped dwellings
4. Social housing dwellings that look the same as neighbouring private dwellings
5. Proximity to good amenities, transport, employment, education, community services
6. Community integration (mixed tenure communities), and a 70:30 ratio of private to social housing in the new developments
7. Affordable housing, in addition to social housing
8. Accountability to helping tenants achieve outcomes

Table G.3 demonstrates that each of the eight elements of LAHC FDI are justified by tenant voice and tenant interest. Four of the elements are supported by the use of tenant voice in at least three of the documents, while the other four elements have evidence of the use of tenant voice in at least one of the document. Similar to the other programs, in the *Future Directions in for Social Housing in* NSW document we only see evidence that vague, diffuse references to the interests of tenants, unclear in their origin, have been used to shape the design of LAHC FDI.

Table G.3: Tenant voice/interest to justify LAHC FDI

Element of LAHC FDI	**Tenant voice or interest cited in:**					
	Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard*	*Thinking about the Future*	*Report on the Development, Structure and Operations of the NSW SAHF*[63]	Confidential documents from DCJ[64]	*Future Directions for Social Housing in NSW*
Redevelopment of existing social housing stock through public-private partnerships	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	No tenant voice or interest cited
Tenancy management by non-governmental organisations	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited
Modern redeveloped dwellings	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Not checked	Tenant interests cited

[63] *The Report on the Development, Structure and Operations of the NSW Social and Affordable Housing Fund* focuses primarily on SAHF, however the fact that there is overlap in some design features between LAHC FDI and SAHF means we can apply these voices and perspectives to the justification of those features as well.
[64] For elements where tenant voice/interest was cited in more than half of the public documents, no further analysis of confidential documents was deemed necessary.

Element of LAHC FDI	Tenant voice or interest cited in:					
	Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard*	*Thinking about the Future*	*Report on the Development, Structure and Operations of the NSW SAHF*[63]	Confidential documents from DCJ[64]	*Future Directions for Social Housing in NSW*
Social housing dwellings that look the same as neighbouring private dwellings	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant interests cited
Proximity to good amenities, transport, employment, education, community services	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant interests cited
Community integration (mixed tenure communities), and a 70:30 ratio of private to social housing in the new developments	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interests cited
Affordable housing, in addition to social housing (LAHC)	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Not checked	Tenant interests cited
Accountability to helping tenants achieve outcomes[65]	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant interests cited

F.4 Service Improvement Initiatives (SIIs)

The purpose of the SIIs is to facilitate better access to education, training and employment opportunities for social housing tenants. Section 1.1.3 provides a detailed overview of each of these initiatives. For a summary of the aims of each initiative, please refer to Table G.4.

[65] Final outcomes for social housing have not been published publicly. So, in order to assess whether these documents contained references to tenants saying that they believed a housing provider plays a role in contributing to the attainment of social housing outcomes (tenant voice), or general references to how housing providers could play a role in contributing to tenants' attainment of social housing outcomes (tenant interest), we used the list of preliminary outcomes identified on page 15 of the *Social Housing Indicator Framework Final Report (2017)* available here: https://communityhousing.org.au/wp-content/uploads/2020/12/IDS4_CSI_SocialHousingIndicatorFramework.pdf

Table G.4: Aims of the Service Improvement Initiatives

SII	Aim
Opportunity Pathways	To assist motivated social housing tenants, applicants, and clients to overcome barriers to education and employment, and to increase their economic participation through gaining, increasing, or retaining employment and facilitate positive exits from social housing (where appropriate).
Place Plans	To build opportunities, strengthen communities, and improve client outcomes and liveability, contributing to breaking down disadvantage in social housing areas.
Rent Choice	To provide a pathway to being able to move away from rent subsidies or other housing support.
Youth Development Scholarships	To support secondary school completion and support post-school education
Early Childhood Education Services	To improve attendance in childcare, particularly in the year before school

In order to identify evidence of tenant voice/interest to justify the SIIs, we examined the *What we heard* document, the flagship policy document for Future Directions alongside a subset of confidential documents provided by FACSIAR/DCJ that pertained to these specific initiatives. Table G.5 demonstrates that most SIIs were shaped by evidence of tenant interest, rather than evidence of tenant voice. It is worth noting that the evidence of tenant voice in support of the SIIs in the *What we heard* document were:

- recommendations made by participants in the consultation process that future housing policies included case management,
- support for tenants in finding employment, and
- stronger links between social housing and other support services.

In other words, while there was evidence that tenants requested broad support in the areas of employment and accessing social support and other services, there was little mention of the specific details of these initiatives, indicating that perceptions of tenant interest was stronger source of influence for each of the SIIs than tenant voice.

Table G.5: Tenant voice/interest to justify SIIs

SII	Element(s) of SII	Tenant voice or interest cited in:					
		Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard?*	*Thinking About the Future*	*Internal documents from DCJ*[66]	*Confidential documents from DCJ*	*Future Directions for Social Housing in NSW?*
Opportunity Pathways	A program that provides support to social housing tenants and their household members, approved social housing applicants and Rent Choice subsidy recipients to find or increase employment	Tenant interest cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Tenant voice cited	Tenant interest cited
Place Plans	Evidence-based, place-based approach designed to work in partnership with communities	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant interest cited
	Place-based projects in social housing communities experiencing significant levels of disadvantage	Tenant interest cited	Tenant voice cited	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	Tenant interest cited
Rent Choice	Suite of private rental assistance (PRA) products to support households gain access to private rental market	Tenant interest cited	Tenant voice cited	Tenant voice cited	No tenant voice or interest cited	Tenant interest cited	Tenant interest cited
	Provides up to three years of support alongside access to services, and training and employment opportunities	No tenant voice or interest cited	Tenant voice cited	Tenant voice cited	No tenant voice or interest cited	Tenant interest cited	Tenant interest cited

[66] These are the documents listed in Table 2.3 in Section 2.5.3.

SII	Element(s) of SII	Tenant voice or interest cited in:					
		Social Housing in NSW: A Discussion Paper for Input and Comment	*What we Heard?*	*Thinking About the Future*	*Internal documents from DCJ*[66]	*Confidential documents from DCJ*	*Future Directions for Social Housing in NSW?*
Youth Development Scholarships[67]	$1,000 scholarships to supports vulnerable young people to stay at school by enabling them access to relevant equipment or money for excursions	Tenant interest cited	Tenant voice cited	Tenant voice cited	No tenant voice or interest cited	Tenant interest cited	Tenant interest cited
	Trial of 30-hour mentoring program for a small cohort	No tenant voice or interest cited	Tenant voice cited	No tenant voice or interest cited	No tenant voice or interest cited	Tenant interest cited	Tenant interest cited
Early Childhood Education Services	Locally-driven models of delivering accessible, affordable and quality childcare to social housing tenants	No tenant voice or interest cited	Tenant voice cited[68]	No tenant voice or interest cited	No tenant voice or interest cited	Tenant interest cited	Tenant interest cited

[67] Formerly Scholarships and Mentoring
[68] It is worth noting that childcare was not specifically raised in this document, only reference to the need for better access to support services.

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