

A home at last

Tenancy achievements from a housing first homelessness program

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Executive summary

The MISHA project provided housing support and wrap around services to a group of 74 men who, prior to entering the project, were chronically homeless. The project was provided by Mission Australia and was made possible by philanthropic funding. This study examines housing outcomes, and the costs and benefits associated with achieving these outcomes.

The study found that:

- 97% of clients were still living in their properties 12 months after being housed;
- savings generated to housing providers due to reduced evictions were estimated at **\$1,880 per client** in the first 12 months of the client being housed;
- the total net savings to housing providers generated by providing tenancy support services to 74 MISHA clients over a one year period were estimated at **\$138,880**;

- case workers played a crucial role helping clients sustain tenancies through educating clients about their responsibilities as a tenant, advocating on behalf of clients to address tenancy issues, acting as an intermediary to facilitate communication between the client and social housing provider and assisting clients to work through their substance use and other mental health problems;

Providing tenancy support services can substantially improve tenancy retention rates for clients who have been chronically homeless and, in addition, can generate considerable net savings to housing providers.

The outcomes, along with a broader costing analysis of the MISHA project in the areas of health and justice, will be released as part of the final MISHA report in 2014.

Assessing tenancy outcomes for MISHA clients

This report examines three key questions related to tenancy outcomes for MISHA clients:

- How successful were the MISHA clients in retaining their tenancies over a 12 month period?
- Were net savings generated to housing providers from the provision of tenancy support services to a group of clients who, prior to being housed, were classified as chronically homeless?
- What were the key factors that lead to tenancy success and failure?

The MISHA project

Michael's Intensive Supported Housing Accord (MISHA) project was an innovative homeless men's service that links men experiencing homelessness in the Parramatta area of Sydney to long-term, stable accommodation while supporting them to rebuild their lives.

The MISHA service delivery model was based on Assertive Case Management, Supported Housing and Housing First principles: facilitating access to permanent housing on the part of clients and providing a holistic service delivery approach that included both psycho-social and economic supports to improve well-being and ensure that housing accessed could best be sustained.

The MISHA project built on the already strong links and knowledge developed through the Michael Project¹ on the effectiveness of integrated approaches for clients with multiple needs, and the feasibility (in terms of relative costs and benefits) of providing these services. Both the Michael and MISHA projects were made possible by the generous support of a philanthropist and provided by Mission Australia.

The MISHA clients

The MISHA clients were formerly chronically homeless men. Their average age was 46 years, 9 per cent identified as Indigenous Australian, 5 per cent were married or in a de facto relationship and 48 per cent had children. The majority were considered not in the labour force (52%); a further 23 per cent were classified as marginally attached to the labour force, 16 per cent were unemployed and just 9 per cent were employed. Approximately a third had left school before Year 10 (32%), a third had completed Year 10 (38%) and a third had completed Year 11/12. Eighteen per cent self-reported a moderate serious problem with drinking and 12 per cent self-reported a moderate-serious problem with drug use in the month prior to entering the MISHA project.

Housing history

The MISHA clients had extensive homelessness histories, with approximately a quarter (25%) first becoming homeless before they were 18 years of age and a further 16 per cent first homeless between 18 and 24 years of age. Three quarters of the sample had a history of sleeping rough and 31% were sleeping rough at the time they were accepted into the project. Additionally, some participants had also been blacklisted and barred from accommodation services in the past (5%) or else had been barred from private rental (10%) and public housing (4%).

Housing providers were approached by Mission Australia on behalf of the men to make available housing, on the understanding that the men would pay the normal rent from their fortnightly benefits, while being supported by Mission Australia.

The success of MISHA in sustaining tenancies for chronically homeless men

As mentioned, the majority of MISHA clients had longstanding histories of homelessness. To sustain tenancies in this context, it was necessary for case managers to invest considerable time and effort in

educating clients about the importance of paying rent, maintaining their homes in good order and keeping on top of household bills.

Of the 74 men housed, only one was evicted during the first 12 months of being housed, and one lost his tenancy due to incarceration. The remaining MISHA clients (97%) kept their housing during the first year of support. This finding is similar to that of the Brisbane Street to Home Project, which found that 95 per cent of chronic rough sleepers remained housed at 12 months (Parsell et al, 2013). Given the profile of MISHA clients, this represents a very high rate of success in sustaining tenancies.

The benefits and cost of tenancy support

The costing analysis examines the cost to housing providers of providing the MISHA program to clients in the first 12 months of clients being housed.

The benefits associated with tenancy support are generated through the reduced incidence of tenancy issues and evictions. There is limited data on tenancy retention rates for the chronically homeless, particularly where there is no case management support attached to those tenancies. Zaretsky et al. (2013) found that where men who accessed supported accommodation services had previously been in a public tenancy, the eviction rate in the previous 12 months was 50 per cent. Zaretsky et al. also provided a conservative estimate of the average cost per eviction from a public housing tenancy of \$4,800. This included costs such as lost rent, damage repairs, legal costs and housing provider time. This suggests that if the MISHA clients had been provided with public and community housing, but no support services, 50% would have been evicted in the first year, with the cost to housing providers from evictions estimated at around \$177,600. No figures are available to determine the likelihood of abandonment or tenancies ending due to imprisonment, however if support were not provided it is likely that these types of events would result in additional costs for housing providers.

The actual cost of failed MISHA tenancies was considerably lower than it could have been if no support were provided. The total cost to housing providers of the 2 failed tenancy events that occurred in the first 12 months of tenants being housed was estimated at \$4,420 (\$2,210/event on average). The eviction event had a relatively low estimated cost to housing providers of \$960, due to rent outstanding, while the tenancy terminated due to incarceration is estimated to have

¹ The Michael Project provided assertive case management and wrap-around specialist services (such as podiatry, dentistry and counselling) to men accessing accommodation & support services across Sydney.

cost \$3,460 (predominantly from lost rent while in prison). The total cost of these 2 failed tenancies is considerably lower than what would likely be incurred if these men were housed without support, with potential savings to housing providers of \$173,180 (\$2,340/person) estimated in this first 12 months of the 74 men being housed. Across the system, this represents an offset to the cost of support.

The costs associated with tenancy support were comprised of the MISHA case manager time spent on tenancy management support. Considering only the direct cost of case manager time spent with clients; over the 12 month period case manager time spent on tenancy management issues was calculated at approximately 10.5 hours per client on average, with an associated cost of approximately \$460 per client, or \$34,300 across all clients. Therefore, the cost of direct tenancy management support is substantially lower than the potential savings associated with improved housing outcomes, resulting in an overall net saving of \$138,880, or \$1,880 per client.

In reality, without support very few chronically homelessness men are able to access public or community housing, with none of the current cohort reporting having a public tenancy in the 12 months prior to receiving support from MISHA, and only three were in community housing.

The positive housing outcomes are also likely to be associated with support provided to clients to address issues not categorised as tenancy management, such as mental health and/or substance use issues. Even when all case manager time spent with clients is considered (i.e. tenancy support and other case manager support) the total cost of this time is estimated at approximately \$152,600 over the year (\$2,060/person), which is still lower than the estimated potential savings from improved housing outcomes.

Summary of savings and costs associated with tenancy support

	Estimated cost of failed tenancies if no case worker support		Cost with case manager support		Net savings
	\$ (per client)		\$ (per client)		\$ (per client)
Scenario 1	(1)		(2)		(1-2)
Case manager time: tenancy support only	177,600 (2,400)	Case manager time	34,300 (460)		138,880 (1,880)
		Cost of failed tenancies (2 clients)	4,420 (60)		
Scenario 2					
Case manager time: tenancy support + other support	177,600 (2,400)	Case manager time	152,600 (2,060)		20,580 (280)
		Cost of failed tenancies (2 clients)	4,420 (60)		

The role of MISHA caseworkers in sustaining tenancies

"And so without the support, their chances of being evicted would have been higher because nobody would be there to guide them and just remind them of the importance of the homes that they have - I put it down to the fact that they're on support and that's why their chances of being evicted is very low."
[Social Housing Provider]

As noted, all of the MISHA clients had a long-standing history of chronic homelessness and a third of them had been sleeping rough on the streets immediately prior to being housed. This meant that many of the clients had little recent experience of being a tenant. To assist them in their transition from homelessness to housing, each client had access to intensive case management support, which varied depending on need. The following strategies were identified as pivotal in assisting clients to remain housed.

1. Educating the client about their responsibilities as a tenant and developing skills to manage a tenancy

MISHA caseworkers spent a substantial amount of time educating clients about their responsibilities as a tenant. This included advising clients of the importance of paying rent on time, reporting any problems to their housing provider and generally maintaining their property. The social housing providers found this type of support from the caseworkers significantly improved their own ability to manage each tenancy. In particular, it was the consistency and repetition of the message that was seen as effective.

Case study 1

MISHA caseworkers also worked closely with clients to improve their personal living skills, such as financial management. This was readily apparent for Fred. Fred was a chronic rough sleeper whose problems with drinking and aggression had placed his tenancy at risk.

When Fred decided to stop drinking and commit to his tenancy, his caseworker realised he would need additional skills to enable him to achieve this. He worked closely with Fred, helping him to budget and organised for his rent to be deducted from Centrepay to avoid further rental arrears. He also worked with Fred on developing his skills in cooking, cleaning and gardening. Fred now cooks dinner for his neighbours once a week and runs the community garden at his complex. He currently needs very little assistance from his MISHA caseworker.

2. Advocating on behalf of clients to address tenancy issues

Social housing providers commented that MISHA caseworkers were very good at pursuing outstanding property issues on behalf of their client. They were also strong advocates for a more lenient approach when it came to managing tenancy issues such as rent arrears, and to some extent, this created tension for the social housing provider. By requesting leniency, caseworkers were able to give their clients more time to get used to the responsibilities associated with being a tenant. This leniency often meant they became better tenants with time. However, the social housing providers sometimes felt that MISHA caseworkers were too lenient on clients, often failing to realise the real implications of large scale rental arrears or debt. Ensuring open communication between clients, caseworkers and housing providers often helped to resolve such tensions.

Case study 2

For Dane, a chronic rough sleeper with alcohol dependence and depression, the persistence of his MISHA caseworker was critical in him being able to develop pride in, and a connection to, home. Dane had a history of childhood trauma and was aggressive and defensive in his interpersonal interactions.

Dane's history made it difficult for Dane to engage with both his MISHA caseworker and his social housing provider. However, Dane's caseworker 'wore him down just by always being there' and gradually he began to trust in, and open up to, his caseworker. During the first year of being housed, Dane's aggressive interpersonal style and dependent drinking resulted in rental arrears, property damage and violent conflict with his neighbours, placing his tenancy at significant risk. Dane's caseworker advocated for leniency with both his social housing provider and the tribunal. Now, Dane takes pride in his house and his tenancy problems are behind him.

"And he's told me that he can't go back to the streets. So the longer he's stayed in his house the less likely or the less appealing the streets become, and I found that with a lot of the guys. That, yeah, there - there's a therapeutic benefit of just having a house, in terms of his outlook, in terms of his - what he considers normal, in terms of then, what he considers possible, definitely." [MISHA staff]

3. Acting as an intermediary to facilitate communication between the client and social housing provider

The MISHA clients had higher levels of engagement and trust with their caseworker relative to their social housing provider. This is not surprising given that social housing providers are typically responsible for a large number of tenancies which constrains the amount of time they have to engage with individual tenants. Some MISHA clients would more readily respond to contact from their caseworker. When traditional means of communication from the housing provider (such as telephone calls, letters and visits) failed, they would contact the caseworker who would often know how to locate a client and then directly liaise with the client regarding the tenancy issue. This had the effect of reducing the likelihood of a poor outcome in the longer term.

"Whereas other general clients, you ring them, you can't find them, it stops there. You send the letter, you've got no other point of contact to lead on to find where they are, yeah." [Social Housing Provider]

Along with the advocacy engaged in by MISHA caseworkers, this improved ability to communicate meant that social housing providers spent more time with MISHA clients relative to other tenants in their portfolio.

"I feel [MISHA clients] are so lucky. We're always there...compared to other tenants. I feel sometimes, [the other tenants are] on their own." [Social Housing Provider]

4. Assisting clients to work through their substance use and other mental health problems

Case managers often indirectly helped clients maintain their tenancies by assisting them to deal with any substance use and mental health problems. Both substance use and mental health problems interfered with a client's ability to maintain their property to a satisfactory standard, make rental payments (sometimes because income was diverted to purchasing alcohol or other drugs), and caused difficulties with neighbours due to disruptive, antisocial or unsafe behaviours. Mental illness also contributed to a client's poor judgement with respect to their choice of friends and acquaintances and in some cases, tenancy problems such as neighbour complaints, could be attributed to the behaviour of acquaintances and friends rather than the client himself.

Case study 3

Lucas had a significant trauma history, including child abuse and neglect, physical assault resulting in a hospitalisation, and an attempt to resuscitate a person who later died. This cumulative trauma load had a significant impact on his functioning.

His marriage broke down and he lost access to his children, he started smoking and injecting drugs, was diagnosed with post-traumatic stress disorder and spent 10 years being homeless, including significant periods of rough sleeping. His mental health issues impacted his ability to manage his finances which meant he accrued substantial rental arrears and, on several occasions, was threatened with eviction.

Additionally, Lucas found it difficult to trust other people and to feel safe despite now having his own place. His defensive and aggressive behaviour was a challenge for his social housing provider. With the patience and commitment of his MISHA caseworker, Lucas began to understand and accept his mental health problems and traumatic past. This has been a difficult first step for Lucas and one that has now opened the door to treatment and a more stable housing experience.

On the few occasions when it went wrong...

Despite the effort applied to supporting clients in their tenancies, sometimes this simply wasn't enough. In the first twelve months of being housed there were two failed tenancies. Over the longer two year support period there were a total of 8 failed tenancies. This section draws on the experience of the 8 failed tenancies reported over the two year period, rather than over the 12 month study period discussed above. In doing so, it draws on a broader base of information to understand the reasons behind these failures, and as a result better inform improvements in the 'housing first' approach and other interventions aimed at reducing chronic homelessness.

Of the eight failed tenancies over two years, two properties were relinquished by clients due to them being in prison, three clients were evicted, one client ran away following a series of difficulties with the police, and two clients temporarily vacated their properties but failed to return within a reasonable timeframe. The amount of time that tenancies survived before failing varied, ranging from 10 months to 2 years. Only two tenancies failed within 12 months; 2 tenancies failed at 13 months, 3 failed around 18 months, and 1 failed

around 24 months. Tenancy problems were evident in most failed tenancies apart from the two properties relinquished due to imprisonment and one property that was abandoned. However, these tenancy problems were not characteristically different from the tenancy issues experienced by clients who were able to sustain their tenancies. Similarly, almost all of the clients with failed tenancies had high levels of baseline distress (indicative of mental disorder) and had alcohol or other drug dependence but this was also true of many of the clients who remained in their properties. The distinction between success and failure appears to be the client's capacity to engage with case management due to a complex array of vulnerabilities. In both of the eviction cases, the clients appear to require more intensive support (such as after-hours crisis support) than what MISHA could effectively offer.

Case study 4

Josh was pushed out of his own property by his 'housemate', who moved himself and his family into Josh's apartment. Josh then slept in his car and had stopped paying rent because he believed he had signed over his lease. He was subsequently evicted because of a build-up in rental arrears.

Josh didn't disclose his tenancy problems to his caseworker and avoided meeting his caseworker inside his property. Thus, MISHA case workers were unable to intervene in time to avoid the eviction. Josh had trouble staying engaged with his caseworker, especially when his mental health deteriorated. Although he was linked in with his local community mental health team, he frequently missed his appointments and a clear diagnosis and treatment plan couldn't be established.

Prior to accepting his MISHA property, Josh was living in a supported accommodation service that was highly structured and where he had an established network of supports. He would sometimes return to his previous accommodation for a meal and a shower despite having his own property. Josh found living on his own a lonely experience and had difficulty asserting himself in his choice of 'housemate'.

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What do the findings tell us?

This study has shown that with the right type of service provision and support it is possible to achieve sustained tenancy outcomes for a group of men who, prior to being housed through the MISHA project, were chronically homeless.

This study highlights the importance of the role of case managers in supporting, educating and working with both clients and housing providers to manage and maintain clients' tenancies. It also highlights the complex needs of many of the clients, and hence the need for a holistic approach to case management. Importantly, the study finds that the provision of housing first and holistic case management to clients with complex housing and personal histories can generate net savings to housing providers and hence a net benefit to the community as a whole.

Sources

Parsell, C., Tomaszewski, W. and Jones, A. (2013). An evaluation of Brisbane Street to Home: Final Report. Brisbane: Institute for Social Science Research, University of Queensland.
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