

Strategic management of policy relevant evidence to support the national reform agenda on homelessness

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This paper summarises key features of the evidence-base to inform a national reform agenda on homelessness.

Following the release of the White Paper on homelessness in 2008, the Council of Australian Governments initiated a whole-of-government approach to address homelessness, the National Partnership Agreement on Homelessness (NPAH). The NPAH contributes to the National Affordable Housing Agreement (NAHA) outcome, to ‘help people who are homeless or at risk of homelessness achieve sustainable housing and social inclusion’. In particular, the NPAH seeks to reduce and prevent homelessness. The NPAH is premised on a preventative approach that requires a shift from managing homelessness through a crisis response, to preventing and intervening early to stop people becoming homeless and breaking the cycle of repeat and chronic homelessness.

The NPAH and the broader focus of the White Paper is consistent with a policy shift, internationally, from the (reactive) management of homelessness to actively preventing and ultimately ending homelessness (see Roman 2012), United States Interagency Council on Homelessness (2010).

To advance the evidence-base for a national reform agenda on homelessness, this paper assembles the evidence in terms of four points of intervention:

1. Interventions **targeting the general population and at-risk groups**—aimed to prevent people becoming homeless from within the general (low-income) population and acknowledged at-risk groups.
2. Interventions **targeting groups at imminent risk of homelessness**—aimed to prevent or mitigate the occurrence and consequence of the trigger events or ‘shocks’ that are a precursor to homelessness.
3. Interventions **targeting those experiencing homelessness**—aimed to reduce the duration and repetition of (first-time, episodic and chronic) homelessness spells.
4. Interventions **sustaining housing stability and support after homelessness**—aimed to prevent a reoccurrence of homelessness for the highest risk groups (those who experienced long-term and chronic homeless).

This analysis uses a modified version of a framework on homelessness prevention developed by Culhane et al. (2011). Attachment 1 describes in more detail a useful approach in determining government cost based on the volume of people using a service, the depth and duration of program subsidies, and the respective role of mainstream and specialist homeless services. The underlying principle of a prevention-based approach is that households start the assistance process by accessing the least expensive services necessary to regain housing stability (Culhane et al. 2011, p.304).

A related principle is that mainstream services, such as health, education, employment and family welfare services, must have a greater responsibility to prevent and intervene early to stop people becoming homeless (FEANSTA 2012). This is consistent with the conclusion of the recent COAG (2012) review of the NPAH, which identified the need for service system reform to produce a more effective, responsive and targeted service system to deliver better client outcomes.

Further evidence required to support a national reform agenda on homelessness is summarised in Attachment 4 and includes research linked to other national level reforms in the areas of: young people leaving care; vulnerable individuals and families impacted by mental illness; disability reform; closing the gap on Indigenous disadvantage; and the provision of employment support through Job Services Australia.

1 Interventions targeting the general population and at-risk groups

1.1 Broad population-wide strategies

The aim of **targeting the general population and at-risk groups** is to use population-wide strategies to strengthen and support the capabilities of low-income households and disadvantaged groups (see Apicello 2010). We know that many low-income and disadvantaged households are living in precarious housing circumstances. We also know that some households are more susceptible to homelessness than others, with a growing pool of low-income singles and families with a higher expected risk of homeless. As outlined in Attachment 2, there is an extensive evidence-base about the demographic characteristics of those at risk of homelessness and those groups over-represented in homelessness, such as young people leaving state care and Indigenous people (two of the priority groups identified in the White Paper on homelessness).

Please note: the citation of research evidence here and throughout this paper is indicative rather than exhaustive.

1.2 Service delivery and costs

There are numerous strategies that provide a range of interventions including the provision of affordable housing to stabilise housing circumstances, employment and education opportunities, as well as to improve access to a range of services such as health care to mitigate the occurrence and consequence of risk events. The service delivery of primary prevention is the sole responsibility of mainstream services. As shown in Attachment 1, population-wide prevention strategies are high volume, broad in scope and the subsidy per individual is typically shallow. One exception is the targeting of subsidised housing, such as the direct provision of social housing, where the government subsidy is usually deep and enduring.

Population-wide prevention strategies extensively target poor and disadvantaged households, and often target disadvantaged areas. However, it is not clear whether such broad interventions have a positive effect on the aggregate level of homelessness and are necessarily cost-effective. There is always the risk of the diffusion of effort (Apicello 2010) whereby services are provided to those who would not become homeless anyway.

Evidence is required to determine the effect of population-level interventions on aggregate levels of homelessness. For example, does the provision of various forms of housing assistance (such as subsidised housing programs) ameliorate homelessness, and if so what prevention strategies are the most effective and efficient? Similar questions can be posed of

other population-level strategies that address household disadvantage such as poor health, income volatility and social exclusion.

In particular, further evidence is needed to understand the specific needs of the following at-risk groups:

Vulnerable individuals and families impacted by mental illness

It is recognised that unresolved mental health issues can have a significant impact on disability, housing and homelessness and community services. Rates of mental illness amongst the homeless population are higher than the general population. The literature emphasises the reciprocal relationship between homelessness and mental illness, with a third of homeless individuals having a severe mental illness. In turn, homelessness is a source of some mental illnesses such as depression. Between 12 per cent and 47 per cent of children in homeless families experience mental health problems, a proportion that changes depending on the age of children, assessment measures, and geographic areas. In addition people with severe mental illness represent a large cohort of rough sleepers and people imprisoned.

Evidence is needed about the range of formal and informal resources needed to support the transition of homeless people with mental illness to stable housing. Including for example, formal resources such as mental health services, employment and education programs, and informal resources such as family, social and peer networks which promote social inclusion.

Disability reform

The risk of homelessness is a pressing issue for many people with a disability. The evidence in the literature is sparse and represents a gap in the evidence-base. Beer et al. (2012) suggest this gap is possibly due to people with disabilities being 'picked up' by other sectors of the service system. The provision of housing and support services for people living with a disability is a key national policy reform. A number of specific reform initiatives are driving policy and practice in the disability sector, the *National Disability Agreement* (NDA), the *National Disability Strategy 2010–2020* (NDS), the *National Disability Insurance Scheme* (NDIS) and the *National Healthcare Agreement*.

Evidence is needed to look at ways of increasing the capacity of people with disabilities to generate income through the labour market and access affordable private rental housing to reduce their reliance on housing assistance. This would contribute to minimising the high risk of housing insecurity and homelessness for people with disabilities.

Cohort study

A different way of identifying at-risk groups is to adopt a cohort approach for prevention strategies. Certain population cohorts experience shared generational events. Of particular interest is the way change in the economy, such as structural adjustment to recessions, can have long-term implications for groups at risk of homelessness. For example, in the USA, adults born between 1954 and 1965 are overrepresented in the homelessness shelter population compared with other age groups. This cohort have had an elevated and sustained risk of homelessness over the last 20 years reflecting, in part, tighter housing and labour market conditions since they came of age in the late 1970s and early 1980s.

An Australian cohort study will help identify similar cohorts who are at risk and those who experience of homelessness over the life course. For example, this may entail the use of HILDA data to identify those at higher risk of income shocks due to: the inadequacy of

income; the volatility of income; and the duration and repeated incidence of poverty/financial stress.

2 Interventions targeting groups at imminent risk of homelessness

2.1 Exposure to and consequence of risk events

The purpose of interventions **targeting groups at imminent risk of homelessness** is to prevent or mitigate both the occurrence and consequence of the trigger events that precipitate homelessness.

An understanding of interventions targeting groups at imminent risk of homelessness requires evidence about the events or ‘shocks’ precipitating and compounding homelessness. These trigger events may be sudden such as an accident, illness or loss of employment or they can be characterised as ‘tipping points’ when a breaking point is reached after a cumulative build-up of problems. Trigger events include fluctuations in income, frequent residential (forced) moves and relationship changes. For example changes in relationships due to family and domestic violence are a major driver of homelessness. Approximately half of women with children and young single women seeking assistance from specialist homelessness services nationally do so to escape family violence. Other risk events are outlined in Attachment 3.

Exposure to risk events and the consequence of homelessness is disproportionately distributed, and as evidenced above, impact at-risk groups who have greater exposure to adverse events. The exposure and consequence of these events are higher for many at-risk groups due to their limited resources such as income, assets, access to formal supports and extensive informal contacts. Typically, the onset of homelessness is precipitated by *more than one* shock or trigger event and these are clustered (i.e. occur in a short period of time). The sequencing and timing of events can also have an impact. For example, divorce and separation (relationship shock) impose a greater housing cost (i.e. an income and housing shock) for each newly created household, compared with bereavement, as separating couples are forced to establish two households from existing resources.

Evidence is required about how the sequencing of events contribute to patterns of housing instability and homelessness, including a focus on the cumulative and compounding effect of these risks for different durations of homelessness.

2.2 Service delivery and costs

As shown in Attachment 1, interventions addressing the imminent risk of homelessness are more targeted and are usually lower in volume than population-wide strategies. Service delivery typically remains the responsibility of mainstream services with an expectation of priority access to services for people at imminent risk of homelessness. While such targeted assistance is lower in volume, it usually has higher costs per client due to the longer duration and intensive nature of interventions. For example, assistance to address episodes of mental illness (as a health trigger event) is necessarily targeted to eligible groups, with intensive and therefore higher cost services provided to those at risk. However, the targeting of assistance to those at imminent risk of homelessness can suffer from the diffusion of effort that equally applies to population-wide prevention strategies.

Screening tools

The recognition of the early signs of risk factors of homelessness is critical for effective prevention. Interventions targeting groups at imminent risk of homelessness require

screening tools to determine eligibility and to target limited resources. However, the actual occurrence of risk events is difficult to predict. While it is possible to identify general at-risk population groups, as described above, it is difficult to predict the transition to homelessness at a household level because it is the result of stochastic processes (O’Flaherty 2009). For example, many poor households are living in precarious housing and are at risk of homelessness, yet the vast majority avoid homelessness in any given year (Culhane et al. 2011). Nonetheless, Shinn (2013) indicates that improvements in screening tools is possible, such as used for the HomeBase prevention program in New York City, in providing more accurate predictions of shelter use than expert judgments, across many domains.

More work is required to develop more sophisticated risk screening tools for mainstream agencies that identify households at varying levels of risk, and to assign levels of interventions based on the risk assessment. Mainstream services are usually the first public agency to have contact with someone at high risk of homelessness (i.e. ‘first to know’) and require support in identifying relevant risk factors.

There are six immediate issues about the imminent risk of homelessness that warrant further research.

Housing stabilisation

There is an emerging international consensus that housing stabilisation and the provision of support services is a common feature of successful homelessness prevention. Indeed, there is an acknowledgement that housing-led approaches to homelessness which prioritise access to affordable, long-term stable housing solutions are one of the most effective responses to homelessness.

While the nature and duration of assistance will vary, for instance, between interventions targeting the general population and the highest risk group of former chronic rough sleepers, the overall intention of stabilising housing and the timely provision of support services is the same.

Current interventions for those at imminent risk of homelessness include: housing advice to preclude eviction, facilitating access to rental housing, rental support (emergency) to sustain tenancies and housing re-establishment costs for new tenancies. For example, the evidence shows it is effective to support private and public tenants to help sustain their tenancies. Those at-risk of becoming homeless when they lack support will overwhelmingly sustain their tenancies with support. Specialist or intensive tenancy support is particularly effective. Likewise, access to tenancy and other social support services are critical for some Indigenous Australians in maintaining stable tenancies and avoiding homelessness.

Evidence is needed about the effectiveness and cost of housing stabilisation assistance in reducing and preventing homelessness, including analysis of the depth and duration of subsidy. For example, what is the effectiveness of short-term interventions that provide a ‘shallow subsidy’ compared with longer-term interventions? How effective are Youth Foyers in stabilising housing for at-risk young people?

Income volatility

Unexpected change in income is an important trigger event for homelessness (O’Flaherty 2009). For example, the HILDA survey points to the persistence of liquidity problems for low-income households and those experiencing a major income shock, whilst Journeys Home (2013) points to high rates of payment suspension for those experiencing homelessness.

Further evidence is required about interventions designed to smooth income changes through (continued) access to income support, and the target used of low-income savings and borrowing schemes.

Employment support

Related to reducing income volatility is the need to (re)connect people experiencing homelessness to employment and vocational training. Job Services Australia (JSA) provides assistance to a broad range of clients, all of whom are experiencing some form of social isolation as a result of unemployment. In particular, there is the provision of supports for job seekers who are homeless or at risk of homelessness.

In the lead up to the retendering of Job Services Australia contracts, an evaluation of the effectiveness of JSA services for homeless job seekers is warranted. Including a focus on what interventions work for particular at-risk groups, and the cost-effectiveness of the current service configuration.

Discharge planning

It is widely acknowledged that discharge planning from a variety of institutions (such as state care, hospitals, the justice system) requires a shift from ad hoc discharge practices and concomitant risk of homelessness to a planned transition to accommodation and support. This may include a service (and financial) obligation on institutions to provide and pay for, in-reach support prior to discharge and ensure housing provision is an integral part of discharge planning.

Further evidence is required about the long-term effectiveness of discharge planning for at-risk groups, such as housing stabilisation, and how this varies between different originating institutions.

Young people leaving state care

Discharge planning for young people is a national policy priority. Ensuring exists from institutions, such as state care, reflects both the policy priority of the *Homelessness White Paper* and key priorities within the *National Framework for Protecting Australia's Children*. Young people leaving care represent a high risk group for homelessness over their lifetime (Johnson et al. 2010). Youth exiting care who do not have effective preparation for independent living can incur significant costs to government, not only in housing. Recent evidence found that young people exiting care, who had volatile housing and social relationships, are at greater risk of homelessness. Young people leaving care typically have high support needs, require integrated housing services and are more likely to become homeless, pregnant, incarcerated, victimised and endure poverty.

Evidence is needed to determine the effectiveness of current interventions that help young people exiting care to transition towards independent living in accommodation appropriate to their needs. This will provide evidence on pathways towards independence, including maintaining stable housing.

Disaster homelessness

The occurrence of rare but significant natural disasters, such as fire and flooding, is a contributing factor to homelessness. The incidence of disaster homelessness is caused by random natural events, which puts larger population groups at risk. Unsurprisingly pre-

existing socio-economic conditions play a significant role in both the exposure to disaster and the ability of particular groups to successfully respond to disaster (Masozera et al. 2007).

There is a need to focus on those who experience a housing shock due to natural disaster and determine both the immediate risk of homelessness as well as the longer-term implications for those already experiencing instable housing. There are also valuable lessons about effective, 'joined-up' service responses, as illustrated by the experiences of Victoria (e.g. fire), Queensland (e.g. flooding) and other jurisdictions in addressing loss of housing caused by natural disasters and the provision of information and supports.

3 Interventions targeting those experiencing homelessness

3.1 Duration and pattern of homelessness spells

The purpose of interventions **targeting those experiencing homelessness** is to reduce the duration and repetition of first-time, episodic and chronic homelessness spells. It is presumed that these households, without public assistance, would remain homeless for an extended period of time.

Homelessness is a transitory condition that forms part of a broader pattern of housing instability for at-risk households (O'Flaherty 2009), where periods of housing instability are punctuated with homelessness spells for some. When homelessness does occur, it is commonly accepted that for most the duration of homelessness is short, and people do not initially use homeless specialist services but draw on other resources such as family and friends (Culhane et al. 1999). It is also assumed there are a smaller number of people who experience repeated and extended periods of homelessness and a smaller group again who experience chronic homelessness including long episodes of rough sleeping.

The wider evidence is supportive of some parts of Culhane's typology, such as a recent Danish study (Benjaminsen 2013) of stays in shelter that identifies three types of users (similar to findings from US research) the transitionally, episodically and chronically homeless. We also know that domestic and family violence is a persistent precursor to homelessness as many women who escape abusive, violent relationships return to the perpetrator numerous times and therefore cycle in and out of homelessness. Likewise, we know those households who experience extended periods of homelessness may have other, non-housing issues to address. For instance, people whose pathway into homelessness is indicated by substance abuse and/or mental health issues are more likely to become rough sleepers and chronically homeless.

Recent evidence from Journeys Home (2012, 2013) suggests that our understanding of the life time prevalence of homelessness may need to be modified. The evidence suggests that single adults are less likely to experience one-off homelessness and are more likely to have repeated episodes. The research also suggests that the life-long prevalence is higher than previously thought due, in part, to high rates of homelessness prior to adulthood; and that the rate of rough sleeping is considerably higher over a life-time when compared with a point-in-time count. This may be due, in part, to the particular sample informing Journeys Home which is more representative of the 'episodic' and 'chronic' groups. In addition, McAllister et al. (2010) show that effective policy interventions need to consider the aggregate duration of homelessness as well as the pattern of housing instability and homelessness.

Evidence is required about the pattern and duration of housing instability and homelessness spells for families to complement the current focus on single adults by the Journeys Home research. It is accepted that an important distinction can be made between single adult and

family homelessness (Culhane et al. 1999). It is important to test the cumulative incidence and life-long prevalence of family homelessness to determine whether those patterns emerging from the Journeys Home research equally apply.

Indigenous people are at higher risk of homelessness and are significantly over-represented in the use of homelessness specialist services. There are particular features of the pattern of Indigenous housing instability and homelessness, such as the effect of mobility patterns, crowding and demand sharing, that warrants further evidence. A longitudinal analysis would help determine the pattern and duration of housing instability and homelessness spells for Indigenous people including a focus on both urban and non-urban settings.

3.2 Service delivery and costs

As discussed in Attachment 1, interventions for those experiencing homelessness are highly targeted, though the cost to government may vary due to the particular housing and support needs of clients. For example, some households may require short-term housing stabilisation, such as a shallow time-limited subsidy, to help re-establish secure housing; while others may need permanent supportive housing with deep and enduring subsidies. For chronic rough sleepers costs are very high mainly due to the marginal costs from the health care and justice systems; though it is also easy to over-state the potential size of government off-sets.

Respective roles of mainstream and specialist services

A key service delivery issue is the respective roles of mainstream and homeless specialist services. Currently, the homelessness sector serves as a de facto safety net for people who fall from other (mainstream) systems. However, the effective, efficient and enduring responses to homelessness require mainstream services to provide support to at-risk groups, rather than relying on the current service configuration that centres on the specialist homelessness services, which are necessarily reactive and crisis driven.

Evidence is needed about service redesign to ensure mainstream services provide early intervention support to at-risk groups and work closely with specialist services for those experiencing homelessness. This includes consideration of: purchasing models to reward mainstream services in sustaining housing and providing support services in a timely and appropriate manner; evidence about how joined-up approaches can be effectively resourced; and the nature of financial incentives for homelessness specialist and mainstream agencies.

Reform of mainstream and specialist services

System changes with mainstream services also need to be matched by changes within the specialist homelessness assistance system to retool capability. It is acknowledged that specialist homeless services are still required to provide complementary, albeit time-limited, services linked to the mainstream service system. International research suggests that crisis services should be refocused on:

- providing short-term crisis accommodation when other housing options are not available
- providing assertive outreach services to chronic rough sleepers and others requiring support
- achieving housing stability through rapid rehousing and other forms of housing stabilisation
- linking clients to mainstream support services such as mental health or family mediation.

A key feature is creating quick exit pathways from the crisis system into permanent housing with initiatives such as 'Street to Home' found to be successful interventions warranting ongoing government investment.

Evidence is needed about what changes are required to design homelessness specialist services, as well as how the homeless crisis response system can be retooled for effective exit pathways to permanent housing. This research would include an evaluation and cost-benefit analysis of the effectiveness of current homelessness specialist services, especially the provision of crisis services. Evidence is also needed about how to improve the integration of mainstream and homelessness specialist services, such as the targeting of resources using defined targets and outcomes, and rewarding the shared performance by homelessness and mainstream services.

Case management practices

One particular issue for consideration is the effectiveness of case management practices. It is often suggested that client driven case management is a critical intervention. This entails the provision of flexible support on an individual basis (reduced and eventually withdrawn when needs diminish and intensified in crisis periods) such as the case of dedicated assertive outreach for rough sleepers and high-need rehoused homeless people. However, the efficacy of case management, as a stand-alone intervention, has been questioned and needs testing.

Evidence is needed to investigate the effectiveness of case management in addition to the effect of housing subsidies in stabilising housing.

4 Interventions sustaining housing stability and support after homelessness

The purpose of interventions for **sustaining housing stability and ongoing support** is to prevent a reoccurrence of homelessness for the highest risk groups such as the long-term and chronic homeless. These individuals typically have more intractable housing instability due to mental health, substance abuse and other enduring problems and conditions, requiring extended (or indefinite in some cases) housing supports and ongoing support services.

4.1 Service delivery and costs

As shown in Attachment 1, interventions are highly targeted to a very-low volume of cases and costs to government are consequently high. For example, models such as permanent supportive housing require a long-term and deep subsidy to stabilise an individual's housing and to provide intensive support services. These models are known to be effective for formerly homeless clients with mental health and related issues (Busch-Geertsema 2013). There is also the broader issue about the effectiveness of Housing First approaches including questions of model implementation, replication, and adaptation (Stefancic 2013).

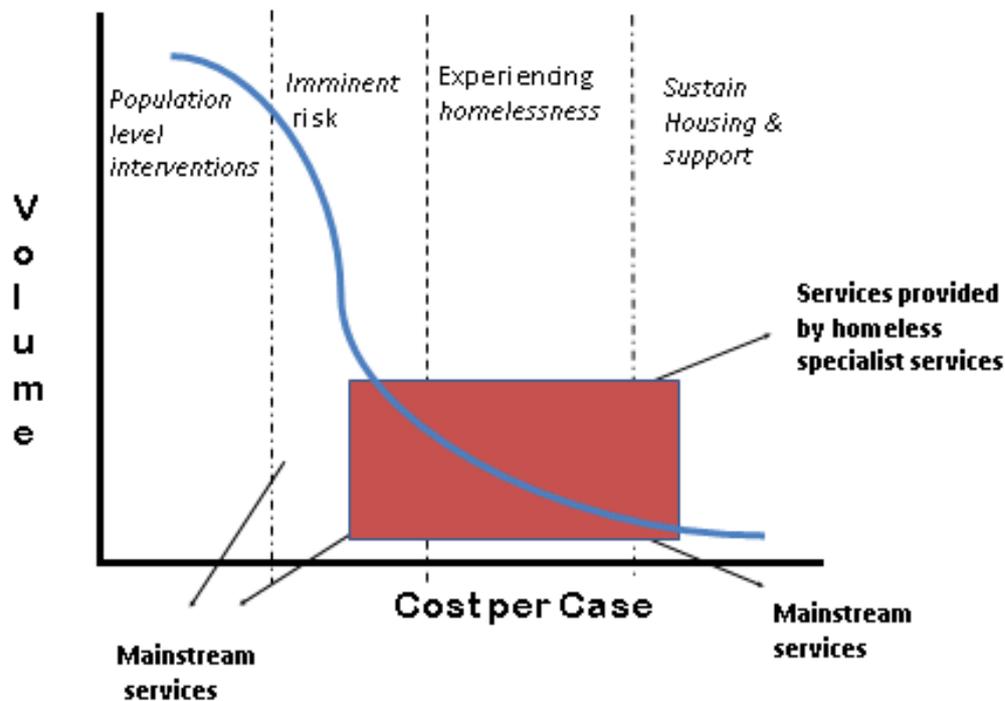
A key service delivery issue is the respective roles of mainstream and homeless specialist services. Determining when homelessness specialist services discontinue support for clients is an empirical question warranting further investigation. The transfer of responsibilities to mainstream services is a necessary requirement to ensure the effective targeting of the finite (and relatively small) resources of homelessness specialist services. The literature suggests that mainstream services should have primary and ongoing responsibility (and associated financial liability) for the provision of extended housing support and support services. This

will require a purchasing approach whereby clients are integrated into the systems of care of mainstream services.

Evidence is needed to test the efficacy of permanent supportive housing models for different target groups, as well to evaluate the effectiveness and cost-benefit of Housing First nationally. Evidence is also required about the purchasing model to underwrite the effective delivery of extended housing support and ongoing support services for the long-term and chronic homeless.

Attachment 1: a framework for the prevention of homelessness

Figure 1: Number of households (volume) by different types of housing instability



Based on Culhane et al. 2011

The types of housing instability, as listed below, is premised on the view that homelessness is a transitory condition that forms part of a broader pattern of housing instability for at-risk households, where periods of housing instability are punctuated with homelessness spells for some:

- **At-risk**—Those whose housing circumstance is precarious due to persistently high housing costs and tenure insecurity, especially in the private rental market and what we would term 'marginal rental' (e.g. rooming/boarded houses and long-stay caravan parks).
- **Imminent risk**—a sub-set of the previous group but where their housing circumstance is at immediate risk of failure due to eviction (or forced exit) from rental, mortgage foreclosure and leaving due to violence.
- **Experiencing homelessness**—includes those sleeping rough, doubling-up and in shelter-type accommodation, and includes those experiencing homelessness only once (and for a short-duration) through repeated homelessness and chronic homelessness.
- **Post-homelessness**—refers only to those who require intensive housing and social support after being homeless, and where the absence of this support will quickly lead to homelessness.

It is suggested that the population distribution of housing instability follows a power-law (or like) pattern. This is an untested hypothesis but many social phenomena follow this sort of distribution. It tries to capture the sense that while a large number of households are at risk of homelessness, a smaller proportion actually become homeless and a smaller proportion again require intensive housing and social support post-homelessness.

Likewise, for those at immediate risk, the exposure to risk events and the consequence of homelessness is disproportionately distributed, and impact at-risk groups who have greater

exposure to adverse events. The exposure and consequence of these events are higher for many at-risk groups due to their limited resources such as income, assets, access to formal supports and extensive informal contacts.

As outlined more fully in the paper, the nature of policy interventions to address housing instability will vary by population groups.

1. For those at risk of housing instability, entails using population-wide strategies to strengthen and support the capabilities of low-income households and disadvantaged groups at risk.
2. The purpose of interventions targeting groups at imminent risk of homelessness is to prevent or mitigate both the occurrence and consequence of the trigger events that precipitate homelessness.
3. The purpose of interventions targeting those experiencing homelessness is to reduce the duration and repetition of first-time, episodic and chronic homelessness spells. It is presumed that these households, without public assistance, would remain homeless for an extended period of time.
4. The purpose of interventions for sustaining housing stability and ongoing support is to prevent a reoccurrence of homelessness for the highest risk groups such as the long-term and chronic homeless. These individuals typically have more intractable housing instability due to mental health, substance abuse and other enduring problems and conditions, requiring extended (or indefinite in some cases) housing supports and ongoing support services.

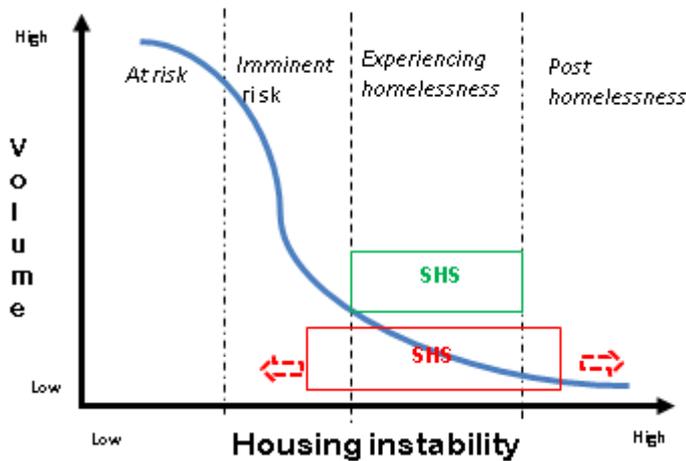
One policy question is the respective role of mainstream and specialist homelessness services (SHS). Mainstream services, such as housing, health, education, employment and family welfare services, must have a greater responsibility, to prevent and intervene early to stop people becoming homeless

The substantive policy question is the role (or not) of specialist homeless services to provide assistance (such as rental brokerage) for those at immediate risk as well as the level and type of support providing to those post-homelessness. It is presumed that the effective, efficient and enduring responses to homelessness require mainstream services to provide support to at-risk groups, rather than relying on the current service configuration that centres on the specialist homelessness services, which are necessarily reactive and crisis driven.

Determining when homelessness specialist services discontinue support for clients is an empirical question warranting further investigation. The transfer of responsibilities to mainstream services is a necessary requirement to ensure the effective targeting of the finite (and relatively small) resources of homelessness specialist services. The literature suggests that mainstream services should have primary and ongoing responsibility (and associated financial liability) for the provision of extended housing support and support services.

The red and green boxes for SHS in Figure 2 illustrate two possible configurations.

Figure 2: Specialist and mainstream services



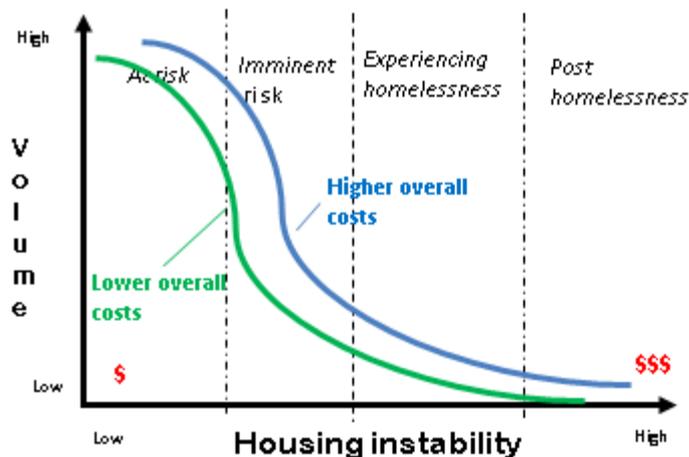
A related issue is the cost to government of interventions (see Figure 3). For example, population-wide prevention strategies for at risk groups are high volume, broad in scope and subsidy per individual is typically shallow. One exception is the targeting of subsidised housing in Australia, such as the direct provision of social housing, where the government subsidy is usually deep and enduring.

Whereas interventions for those experiencing homelessness are highly targeted, though the cost to government may vary due to the particular housing and support needs of clients. For example, some households may require short-term housing stabilisation, such as a shallow time limited subsidy, to help re-establish secure housing; while others may need permanent supportive housing with deep and enduring subsidies.

Post-homelessness interventions are highly targeted to a very-low volume of cases and costs to government are consequently high. For example, models such as permanent supportive housing require a long-term and deep subsidy to stabilise an individual's housing and to provide intensive support services.

In addition, the overall costs to government will vary depending on the overall distribution of housing instability (and homelessness) across the population (as illustrated in Figure 3).

Figure 3: Costs of intervention



Attachment 2: Summary of demographic characteristics of groups at risk of homelessness

At-risk groups	Issues
Indigenous	Indigenous understanding of homelessness, and response to housing need, is shaped by kinship obligations which are deeply embedded in the structure of Indigenous society. Those without housing will tend to approach kinfolk for shelter first, and will usually be given a place to stay. This can conceal the rate of secondary homelessness among Indigenous people and result in permanent overcrowding.
People with disabilities	The risk of homelessness is heightened for people with disabilities due to their limited capacity to generate income through employment. A lack of affordability in the private rental sector means that people with disabilities rely heavily on income support and housing assistance, including social housing. However, demand for social housing outweighs supply. People who have mental illness and cognitive disabilities are particularly susceptible to incarceration and homelessness. When compared to their male counterparts, women with disabilities are under-represented in the workforce, overrepresented in public housing and in statistics related to poverty, violence and vulnerability to homelessness.
Women and children who experience domestic violence	Domestic violence is a major cause of homelessness for women in Australia. Women with little financial independence, who are Indigenous or come from a CALD background, are overrepresented in this group. Many women who leave abusive relationships experience housing and economic disadvantage. Where women cannot stay safely at home, family violence can lead to homelessness. Women leaving home as a result of domestic violence face problems in accessing support in a timely manner.
Ex-prisoners	Ex-prisoners are more likely to experience homelessness. The risk is greater for a person who has a mental illness. Ex-prisoners have difficulty accessing employment and mental health services. This makes ex-prisoners at risk of homelessness, as well as increasing the probability of recidivism. The majority of prisoners tend to have low or no qualifications and have difficulty securing employment post-release.
People with mental health issues	The reciprocal relationship between mental health and homelessness has been emphasised in the literature. For example, a third of homeless individuals have a mental illness. In turn, homelessness is a source of mental illness such as depression. Rough sleepers in particular are exposed to many risks that can either exacerbate an existing mental illness or create conditions that can lead to a mental illness. These risks include: lack of shelter and security; poorly coordinated medical treatment; poor social support networks; and high levels of stigmatisation (socially and within the service system).
Older People	Older people are increasingly at risk of homelessness. Their homelessness is not always a result of previous periods of homelessness, but more likely a consequence of trigger events (e.g. death or separation from partner, illness, income loss and employment insecurity, and housing insecurity).
Children and young people	Young people exiting care and youth/children experiencing domestic violence are at greatest risk of homelessness. Young people, because of their age, lack many practical resources (e.g. a private rental history, employment references and savings for rental bonds) and have limited experience in the housing and labour markets. As a consequence young people face difficulties in securing and maintaining stable housing. People who experience homelessness at a younger age are also at greater risk of periods of homelessness, including chronic homelessness, later in life.

Attachment 3: Summary of risk events or ‘shocks’ precipitating homelessness

Shock	Description	Population groups (examples)
Income	Adequacy of income, volatility in income received, spending patterns and behaviour.	Low-income households whose income is uncertain due to casual employment and reliance on income support.
Relationship	Loss of partner, separation, divorce, children exiting care and domestic/family violence.	Family and domestic violence is a major driver of homelessness with approximately half of women with children and young single women who seek assistance from specialist homelessness services do so to escape family violence.
Health	Physical health, mental health episodes, addictions.	People with mental health issues.
Housing	House cost change, lack of access to services or inappropriate housing allocation.	Indigenous patterns of mobility and crowding.
Discharge from institutions	Institutions include prison, armed forces, out-of-home care, health services, and aged care. Exiting institutions - people leaving health services, care and protection settings or the criminal justice system are at an increased risk of transitioning into homelessness.	Young people leaving state care Indigenous young people (higher rates of incarceration). People released from health facility. Ex-service personnel.
Natural disaster	Natural disaster (fire, flood) leading to loss of housing.	General population.

Attachment 4: Suggested research to support a national reform agenda on homelessness

Intervention	Evidence gap	Description
Interventions targeting the general population and at-risk groups	1. Evaluation of current population-wide prevention strategies	<p>Population-wide prevention strategies extensively target poor and disadvantaged households, and often target disadvantaged areas. However, it is not clear whether such broad interventions have a positive effect on the aggregate level of homelessness and are necessarily cost-effective. There is always the risk of the diffusion of effort whereby services are provided to those who would necessarily become homeless anyway.</p> <p><i>Evidence is required to determine the effect of population-level interventions on aggregate levels of homelessness. For example, does the provision of various forms of housing assistance (such as subsidised housing programs) ameliorate homelessness, and if so what prevention strategies are the most effective and efficient? Similar questions can be posed from other population-level strategies that address household disadvantage.</i></p>
	2. Vulnerable individuals and families impacted by mental illness	<p>It is recognised that unresolved mental health issues can have a significant impact on disability, housing and homelessness and community services. Rates of mental illness amongst the homeless population are higher than the general population.</p> <p><i>Evidence is needed about the range of formal and informal resources needed to support the transition of homeless people with mental illness to stable housing including for example formal resources such as mental health services, employment and education programs; and informal resources such as family, social and peer networks which promote social inclusion.</i></p>
	3. Disability reform	<p>The risk of homelessness is a pressing issue for many people with a disability. The provision of housing and support services for people living with a disability is a key national policy reform such as the <i>National Disability Agreement (NDA)</i>, and the <i>National Disability Insurance Scheme (NDIS)</i>.</p> <p><i>Evidence is needed to look at ways of increasing the capacity of people with disabilities to generate income through the labour market and access affordable private rental housing to reduce their reliance on housing assistance. This would contribute to minimising the high risk of housing insecurity and homelessness for people with disabilities.</i></p>
	4. Cohort analysis of life-long risk of housing instability and homelessness	<p>A different way of identifying at-risk groups is to adopt a cohort approach for prevention strategies. Certain population cohorts experience shared generational events. Of particular interest is the way changes in the economy, such as structural adjustment to recessions, can have long-term implications for groups at risk of homelessness.</p> <p><i>An Australian cohort study will help identify similar cohorts who are at risk and who experience homelessness over the life course. For example, this may entail the use of HILDA data to identify those at higher risk of income shocks due to: a) inadequacy of income; b) volatility of income; and c) duration and repeated incidence of poverty/financial stress</i></p>

Interventions targeting groups at imminent risk of homelessness	5. Exposure to and consequence of risk events	<p>An understanding of interventions targeting groups at imminent risk of homelessness requires evidence about the events or 'shocks' precipitating and compounding homelessness. These triggers events may be sudden such as an accident, illness or loss of employment or they can be characterised as 'tipping points' when a breaking point is reached after a cumulative build-up of problems.</p> <p><i>Evidence is required about how the sequencing of events contribute to patterns of housing instability and homelessness, including a focus on the cumulative and compounding effect of these risks for different durations of homelessness.</i></p>
	6. Risk screening tools	<p>The actual occurrence of risk events is difficult to predict. While it is possible to identify general at-risk population groups it is difficult to predict the transition to homelessness at a household level.</p> <p><i>Additional work is required to develop more sophisticated risk screening tools for mainstream agencies that identify households at varying levels of risk and to assign the level of interventions based on the risk assessment. Mainstream services are usually the first public agency to have contact with someone at high risk of homelessness (i.e. 'first to know') and require support in identifying relevant risk factors.</i></p>
	7. Effectiveness of housing stabilisation	<p>Current interventions for those at imminent risk of homelessness include: housing advice to prevent eviction; facilitating access to rental housing; rental support (emergency) to sustain tenancies; and housing re-establishment costs for new tenancies.</p> <p><i>Evidence is needed about the effectiveness and cost of housing stabilisation assistance in reducing and preventing homelessness, including analysis of the depth and duration of subsidy. For example, what is the effectiveness of short-term interventions that provide a 'shallow subsidy' compared with longer-term interventions? How effective are Youth Foyers in stabilising housing for at-risk young people?</i></p>
	8. Income smoothing	<p>Income volatility is an important trigger event for homelessness. There is a persistence of liquidity problems for low-income households and those experiencing a major income shock, whilst there are high rates of payment suspension for those experiencing homelessness.</p> <p><i>Further evidence is required about interventions designed to smooth income changes through (continued) access to income support, and the targeted use of low-income savings and borrowing schemes.</i></p>
	9. Employment support	<p><i>Related to smoothing income volatility is the need to (re) connect people experiencing homelessness to employment and vocational training. Job Services Australia provides assistance to a broad range of clients, all of whom are experiencing some form of social isolation as a result of unemployment. In particular, there is the provision of supports for job seekers who are homeless or at risk of homelessness.</i></p> <p><i>In the lead up to the retendering of Job Services Australia contracts an evaluation of the effectiveness of JSA services for homeless job seekers is warranted including a focus on what interventions work for particular at-risk groups, and the cost-effectiveness of the current service configuration.</i></p>

	<p>10. Effective discharge planning</p>	<p>It is widely acknowledged that discharge planning from a variety of institutions (such as state care, hospitals, the justice system) requires a shift from ad hoc discharge practices and concomitant risk of homelessness to a planned transition to accommodation and support.</p> <p><i>Further evidence is required about the long-term effectiveness of discharge planning for at-risk groups, such as housing stabilisation, and how this varies between different originating institutions.</i></p>
	<p>11. Young people leaving state care</p>	<p>Discharge planning for young people is a national policy priority. Ensuring successful exists from institutions such as state care reflects both the policy priority of the <i>Homelessness White Paper</i> and key priorities within the <i>National Framework for Protecting Australia's Children</i>.</p> <p><i>Evidence is needed to determine the effectiveness of current interventions that help young people exiting care to transition towards independent living in accommodation appropriate to their needs. This will provide evidence on pathways towards independence, including maintaining stable housing.</i></p>
	<p>12. Disaster homelessness</p>	<p>The occurrence of rare but significant natural disasters such as fire and flooding is a contributing factor to homelessness.</p> <p><i>There is a need to focus on those who experience a housing shock due to natural disaster and determine both the immediate risk of homelessness as well longer-term implications for those already experiencing unstable housing. There are also valuable lessons about effective, 'joined-up' service responses, as illustrated by the experiences of Victoria, Queensland and other jurisdictions in addressing loss of housing and provision of information and supports.</i></p>
<p>Interventions targeting those experiencing homelessness</p>	<p>13. The pattern and (aggregate) duration of housing instability and homelessness spells for families</p>	<p>The evidence suggests that single adults are less likely to experience one-off homelessness and are more likely to have repeated episodes. The research also suggests that the life-long prevalence is higher than previously thought due, in part, to high rates of homelessness prior to adulthood; and that the rate of rough sleeping is considerably higher over a life-time when compared with a point-in-time count.</p> <p><i>Evidence is required about the pattern and duration of housing instability and homelessness spells for families to complement the current focus on single adults by the Journeys Home research. It is accepted that an important distinction can be made between single adult and family homelessness. It is important to test the cumulative incidence and life-long prevalence of family homelessness to see if those patterns emerging from the Journeys Home research equally apply.</i></p>
	<p>14. The pattern and (aggregate) duration of housing instability and homelessness spells for Indigenous people</p>	<p>Indigenous people are at higher risk of homelessness and are well over-represented in the use of homelessness specialist services. There are particular features of the pattern of Indigenous housing instability and homelessness, such as the effect of mobility patterns, crowding and demand sharing, that warrants further evidence.</p> <p><i>A longitudinal analysis would help determine the pattern and duration of housing instability and homelessness spells for Indigenous people, with a focus on both urban and non-urban settings.</i></p>

	15. Retooling mainstream services	<p>A key service delivery issue is the respective roles of mainstream and homeless specialist services. The effective, efficient and enduring responses to homelessness require mainstream services to provide support to at-risk groups rather than relying on the current service configuration that centres on the specialist homelessness services.</p> <p><i>Evidence is needed about service redesign to ensure mainstream services provide early intervention support to at-risk groups and work closely with specialist services for those experiencing homelessness. This includes consideration of: purchasing models to reward mainstream services in sustaining housing and providing support services in a timely and appropriate manner; and evidence about how joined-up approaches can be effectively resourced and the nature of financial incentives for homelessness specialist and mainstream agencies.</i></p>
	16. Retooling homeless specialist services	<p>System changes with mainstream services also need to be matched by changes within the specialist homelessness assistance system to retool capability. It is acknowledged in the research that specialist homeless services are still required to provide complementary, albeit time limited, services linked to the mainstream.</p> <p><i>Evidence is needed about what changes are required to design homelessness specialist services, as well as how the homeless crisis response system can be retooled for effective exit pathways to permanent housing. This research includes an evaluation and cost-benefit analysis of the effectiveness of current homelessness specialist services especially the provision of crisis services. Evidence is also needed about how to improve the integration of mainstream and homelessness specialist services such as the targeting of resources using defined targets and outcomes, and rewarding the shared performance by homelessness and mainstream services.</i></p>
	17. Test the efficacy of case management	<p>Client driven case management entails the provision of flexible support on an individual basis (reduced and eventually withdrawn when needs diminish and intensified in crisis periods) such as the case of dedicated assertive outreach for rough sleepers. However, the efficacy of case management, as a stand-alone intervention, has been questioned and needs testing.</p> <p><i>Evidence is needed to test the specific effectiveness of case management in addition to the effect of housing subsidies in stabilising housing.</i></p>
Interventions sustaining housing stability and support after homelessness	18. Preventing a reoccurrence of homelessness for the highest risk groups	<p>Models such as permanent supportive housing are effective but require a long-term and deep subsidy to stabilise an individual's housing and to provide intensive support services. However, determining when homelessness specialist services discontinue support and when this is transferred to mainstream services is a critical question.</p> <p><i>Evidence is needed to test the efficacy of permanent supportive housing models for different target groups, as well as to evaluate the effectiveness and cost-benefit of Housing First nationally. Evidence is also required about the purchasing model to underwrite the effective delivery of extended housing support and ongoing support services for the long-term and chronic homeless.</i></p>

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