Breaking the Chain
How community housing can help deliver better outcomes for ex-prisoners

Final Paper

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Executive Summary

Providing housing and support for ex-prisoners is a classic ‘wicked problem’. It involves complex departmental and organisational relationships spanning correctional services, social housing, and homelessness support. It is also a topic where the media debate focuses on keeping ‘dangerous’ people in prison and stopping exiting prisoners ‘jumping the queue’.

Current South Australia approaches, as well as nationally and internationally are expensive: for individuals, for the community and for public finances. Keeping people in prison is expensive at around $100,000 pa, though supporting people long term in homelessness is even more costly - millions of dollars over a lifetime.

There are strong links between housing security, homelessness and reoffending. Half the current prison population has previously been incarcerated. A sizeable number of prisoners are homeless on both entry to, and exit from prison. This is why we need to break the chain between prison, homelessness and reoffending.

South Australia has a respected set of approaches to housing ex-prisoners, and the current goal of reducing reoffending rates by 10% up to 2020 is bold and well considered. The challenge comes in finding practical ways to achieve this target.

Community housing providers can offer one part of the solution. They have a larger involvement in accommodating ex-offenders in South Australia than other states, and have shown commitment through sponsoring this research project. They remain, however, one piece in a larger and complicated jigsaw.

Future approaches to housing ex-prisoners should be nuanced, based on understanding pathways through different housing options. Reoffending needs to be reduced across all housing tenures, not just under programs specifically designed for the task.

There are currently a range of housing programs - from the cutting-edge Integrated Housing Exits Program through transitional and crisis housing to an under-development bail hostel. Further projects are under active consideration. What is really needed is:

- A review of current programs to make them work better so they help achieve the 10% by 2020 goals
- Clearer and more integrated thinking across the broad range of prisoner accommodation programs
- Careful targeting of new programs so they meet identified location, housing type and tenure gaps in current provision

Future delivery will benefit from greater coordination between Government agencies and provider organisations. This should not be difficult to achieve, and there is already good evidence of goodwill and collaboration.

The community housing sector can leverage their enhanced funding model to raise debt, and use proven development capacity to deliver new housing options. Medium sized and regional organisations can play an important role in tenancy support, working closely with support agencies such as OARS.

Through carefully planned and suitably funded policy initiatives, Government and the housing sector can ‘break the chain’.
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Glossary, Definitions and Abbreviations

**Bail**: a commitment made to secure the release of a person held in custody and suspected of a crime

**BASP**: Bail Accommodation Support Program. Anglicare SA are delivering a 20 bed bail accommodation unit

**CHCSA**: Community Housing Council of SA. The peak body for community housing

**Community housing**: social housing managed by not-for-profit organisations

**CRA**: Commonwealth Rent Assistance. A benefit payment to eligible lower income residents in private and community housing

**CRC**: Community Restorative Centre. A NSW not-for-profit similar to OARS

**Crisis accommodation**: short term shelter for normally up to 3 months for people who are or are at risk of homelessness.

**DCS**: SA Department for Correctional Services

**DCSI**: SA Department for Communities and Social Inclusion

**Homelessness**: where people do not have shelter, live in an inadequate dwelling or do not have secure or longer term tenure

**Housing stress**: where a household is paying more than 30% of total household income on housing costs

**HYPA**: Helping Young People Achieve, a youth program operated by SYC

**IHEAAS**: Integrated Housing Exits Alternative Accommodation and Support program: support for clients not able to secure accommodation under IHEP

**IHEP**: Integrated Housing Exits Program: housing and support for 60 SA adult ex-prisoners and 20 young people (under 25)

**NAHA**: National Affordable Housing Agreement between the Commonwealth and States to co-fund social housing. The agreement does not have an expiry date

**NBESP**: Nation Building Economic Stimulus Plan. A 2009 program that included the Social Housing Initiative to fund new social housing

**NDIS**: National Disability Insurance Scheme

**NPAH**: National Partnership Agreement on Homelessness, between the Commonwealth and States, to co-fund homeless services. The current NPAH expires June 2017 and there is no agreement yet on future funding

**NRAS**: National Rental Affordability Scheme (2009-2014) a subsidy for constructing new affordable rental housing, part funded by the Commonwealth and States

**NRS**: National Regulatory System for Community Housing

**NT**: Northern Territory

**OARS**: The Offenders Aid and Rehabilitation Services. A not-for-profit SHS agency providing OARS Community Transitions to support ex-prisoners

**Parole**: provisional release of a prisoner prior to completion of their maximum sentence

**PGP**: Preferred Growth Provider (2009-2015) - community housing providers seen
by SA Government to have growth potential, Replaced by the NRS system

**PPP:** public private (and often non-for-profit) partnership

**Public housing:** social housing owned by Government and managed by Housing SA

**Remand:** detention of a person in custody who has been arrested, prior to trial

**Renewal SA:** the SA Government agency coordinating urban development, social housing assets and community housing funding and policy

**ROSAS:** Renewing our Streets and Suburbs. A Renewal SA initiative to improve the quality of social housing stock

**SA:** South Australia

**SAHF:** NSW Social and Affordable Housing Fund, to deliver new housing

**SDA:** Specialist Disability Accommodation program, part of the NDIS initiative

**SHS:** Specialist Homelessness Services: not-for-profit organisations providing support for people experiencing homelessness. Funded under the NPAH

**Social housing:** rental housing provided at below market rent levels to eligible applicants, managed either by the Government or by not-for-profit agencies. Rents are generally set at 25% gross household income

**SYC:** Services for Youth Council. An Adelaide based national not-for-profit providing youth employment, training and homelessness services (see also HYPA)

**THP:** Transitional Housing Program. A community housing managed scheme providing transitional housing in SA

**Transitional housing:** accommodation linked to support for people who are or at risk of homelessness. In SA this is provided through the THP by community housing providers available for up to 18 months
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1 Background

This section summarises the project, the research method and questions addressed. An overview is provided of key issues on the interface between housing, homelessness and people exiting correctional services.

1.1 Project overview

In June 2016 the Community Council Housing Council of South Australia (CHCSA) commissioned Housing Action Network to establish options for community housing providers to provide secure, sustainable accommodation for people exiting the justice and prison system and for people on remand.

The project runs in parallel to, but is independent of, new initiatives underway by the South Australian Department for Correctional Services (DCS). In August 2016 the Minister launched a plan to reduce reoffending by 10% by 2020 (DCS, 2016).

The report spans the traditionally siloed areas of correctional services, social housing and homelessness. No prior technical knowledge is assumed, and a detailed Glossary has been included to encourage cross-sector understanding.

Research method

A brief environmental scan of the national and international research literature has been undertaken. However, the main project focus is to build a practical understanding of what works best in delivering effective housing and support options in South Australia (SA).

The 26 individuals contacted for this research in July and August 2016 are listed in an attachment. Most were interviewed individually, though several community housing providers took part in a workshop at CHCSA’s offices on 16 August.

Two electronic surveys were undertaken of:

- SA community providers participating in the Integrated Housing Exits Program (IHEP). This was undertaken in April 2016 by CHCSA, with 8 responses.
- Operations managers of community housing members of industry association PowerHousing Australia. Carried out in August 2016. 5 responses received from (SA, Western Australia, NSW).

This Background Paper provided information discussed at a Forum on 8 September supported by Hon Peter Malinauskas, Minister for Correctional Services. Invited stakeholders spanned public and community housing, DCS, and support providers. Input from the Forum helped shape the Final Report.

Project objectives

The four project aims are to:

- Understand the relationship between various SA organisations involved in ex-prisoner housing and support
- Identify examples of good practice in other jurisdictions that could inform SA service and housing delivery
- Undertake an interim evaluation of IHEP, suggesting ways in which program design and delivery can be enhanced to reduce re-offending rates
- Provide practical input to DCS to help shape possible future schemes that deliver more ex-prisoner housing
Limitations
The project is of modest scale, exploring a topic where little information is available in the public domain. Housing and support options for ex-prisoners have rarely been evaluated, and little data is published.

Reliance has been placed on interviews and small response surveys, and it has often not been possible to independently verify statements made. The opinions expressed in this Report are of the author, not necessarily the interviewees and survey respondents.

1.2 Homelessness and re-offending overview

Consistent research findings in Australia and overseas identify offending and imprisonment as both a symptom of and a pathway to homelessness.

Homeless people, including those in correctional facilities, are much more likely than the general population to experience mental health problems and drug and alcohol misuse. As Baldry (2014) has noted, it is very difficult to disentangle criminal behaviour, homelessness, poverty and mental and cognitive impairment.

Formerly homeless people exiting the correctional services system are more likely to experience unemployment, lower incomes, discrimination and housing difficulties. A large minority of people being released from prison do not have suitable accommodation to go to, and pre-release information and support in securing accommodation is often inadequate.

Without proper support, releasing ex-prisoners into an environment with the same unresolved housing and social problems they faced before they were sentenced can lead to reoffending. This creates a cycle of imprisonment and release, which is costly in social and economic terms.

Accommodation and reoffending

Although there is generally understood to be a link between homelessness and offending, there is no clear evidence of a causal link between providing stable accommodation and reducing reoffending (O’Leary, 2013). In part this is due to the difficulty of isolating the impact of accommodation from other factors such as family circumstances or issues with mental health and substance abuse.

Willis (2015) agrees with O’Leary’s earlier findings that transitional and housing support services have the potential to reduce reoffending and therefore be of benefit to clients, the community and the taxpayer through reduced costs. Willis notes that while supported housing can be expensive, it will be cheaper and less capital intensive than keeping people in prison.

While there are many potential models of support provision, there is not one that is agreed to be ‘best practice’. However, delivering a variety of services and tailoring them to individual client needs is likely to work best. Housing, like support, will also need to be tailored for particular clients.

Housing options

Australian and international approaches to accommodating high needs people at risk of homelessness, including ex-offenders, have tended to become polarised between:

- The Common Ground congregate model, where accommodation and services are provided in a single location, often at scale, but using housing first approaches
- A more decentralised model where higher needs people are dispersed more broadly in the community, with no onsite support provision
Schemes in SA for ex-offenders have tended to use the latter approach, with the exception of the BASP program described in Section 4.4 of this report. There is no evidence suggesting one approach works better than the other. What is needed, however, is a broader range of housing options to better match client need.

In some jurisdictions ex-offenders are sent to ‘half way houses’, prior to finding longer term accommodation. Sending ex-offenders to these hostels may be a continuation of the labelling practices of the prison, and fails to provide longer term secure housing. It is the antithesis of ‘housing first’ approaches.

Both half way houses and congregate models can be a problem as the property locations and sometimes their residents are known to police. People exiting prison are more likely to be on the streets, and at a loose end with no employment or other engaging activity. These can be factors in the cycle of criminal justice involvement.

1.3 Accessing the housing system

The housing needs of ex-prisoners are best understood in the context of an individual’s transition through their life in the broader housing system. This system is commonly shown as a ‘continuum’ (Box 1) although few people make a set of linear transitions.

Everyone has a ‘housing career’ that might span different tenure types along the housing continuum. Housing choices will be shaped by age, family circumstances, income, gender, disability and disadvantage (Beer & Faulkner, 2008).

Many people encountering the criminal justice system face a variety of disadvantages and are more likely to experience discontinuous housing careers.

**Housing continuum**

Box 1 shows the interconnected options across the wider housing system, ranging from crisis accommodation at one end to full home ownership at the other. Depending on personal circumstances different people

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**Box 1: The housing continuum**

- **Crisis accommodation**: Homeless shelters, Short term housing for people who are homeless or at risk of homelessness
- **Transitional accommodation**: Temporary housing, Medium term (6 to 12 months) housing for people who are homeless or at risk of homelessness
- **Social rental housing**: Public housing, Community housing
- **Affordable rental housing**: RHA properties, Key worker housing
- **Supported private rental**: OHA recipients, Private landlords
- **Low cost home ownership**: Shared ownership, Home sharing
- **Market private rental**: Private landlords, Home sharing
- **Market home ownership**: Paying a mortgage, Full ownership

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have different capacities and aspirations, and need varying entry and transition points along the housing continuum.

A well-functioning housing continuum needs sufficient property supply at all points to accommodate changing demand and smooth transition between housing options. At the same time, it should provide the right type of assistance for those who slip back due to changed circumstances.

Public and community housing providers accommodate a range of residents other than the ‘social rental housing’ category in the continuum. Community housing providers operate in the orange shaded areas of the continuum, from transitional housing through to affordable rental housing and entry level home ownership.

Accommodation in prison can be conceptualised as another type of housing tenure (Box 1). Relatively high levels of reoffending suggest it can be a regular feature on the housing careers of some individuals. It is also a tenure type with high barriers to entry into other tenures.

Most transitions into and out of prison are from/to crisis accommodation, transitional housing and social rentals. Only a minority of transitions are into/out of private rental or home ownership.

**Housing transition barrier**

For very high needs people exiting prison who are at risk of homelessness there is a shortage of appropriate supported housing such as provided in SA under the IHEP program. However, there are other barriers to re-entering the housing system that affect a wide range of people leaving prison:

- Loss of possessions while in custody and lack of essential household items such as white goods, bedding and furniture
- General lack of skills accessing the housing system and managing day-to-day housing issues such as utility payments and neighbour disputes
- Limited support services to help people overcoming substance abuse, mental health and family violence issues

There are also challenges which are specific to housing tenures:

**Private rental**
- Prejudice by landlords and real estate agents
- Strong competition from other applicants with a stronger tenancy history and good references
- The need for a deposit
- Limited IT skills making it harder to access real estate websites

**Social rental**
- Debts to social housing landlords
- Strong competition for limited places from high needs applicants
- Confusion over the split of social housing between public and community housing providers

Many of the above issues also impact a range of higher needs people trying to enter the housing system and sustain tenancies.

**Housing careers**

The most comprehensive survey on the housing careers of Australian ex-offenders is now a number of years out of date and does not relate to SA (Baldry et al., 2003).
However, the findings are still likely to reveal many current general issues and trends.

The 2003 research was based on interviewing before release, and 3, 6 and 9 months after release, 145 NSW and 93 Victorian prisoners to follow their housing careers. The findings were:

- Nine months after release, 34% had been re-incarcerated. This figure is likely conservative as it will not capture people in out-of-state prisons
- Those with supportive family or linked to an agency with helpful housing and other post-release support, were more likely to secure stable housing and employment
- Before imprisonment, 18% of the sample were homeless, rising to 21% after release. However, a significant number who do not acknowledge they were homeless were actually homeless (e.g. couch surfing) or were moving in and out of homelessness.
- While 68% of Australian households own their own home, only 24% of this sample did prior to incarceration, and only 21.4% post-release
- Most had not arranged accommodation upon release but hoped they could stay with family or friends or move straight into public housing. Only 16% expected to find themselves homeless. The reality 9 months after release was worse than the majority of participants expected
- The number of times a survey participant moved house after release was the factor most predictive of re-incarceration. Almost half the survey became transient after release
- Most survey participants came from and went back to disadvantaged suburbs

The housing careers of people who have been in prison therefore varies considerably to the wider population both before and after imprisonment. Careers are characterised by multiple transitions, tenure insecurity, homelessness and often dislocation with family members and friends.

**Criminal justice system transitions**

Increasing incarceration rates have led to overcrowding of current correctional facilities. New prisons are expensive to build and run, and even current plans for boosting beds in existing SA prisons will cost $283,000 each (Donnellan, 2016).

There two main interaction points between people with high housing needs and the criminal justice system:

- **Entry to criminal justice system**
  
  As noted in Section 1.2, people experiencing homelessness are over-represented in the justice system.

  In addition, people who have been arrested are held in remand facilities before or during their trial unless they are eligible for and can obtain bail. People who are homeless may be unable to meet bail conditions or provide a surety. Proposal for a BASP - a bail hostel - are detailed in Section 3.4.

- **Exit from criminal justice system**
  
  People leaving prison at the end of their sentence may not have suitable accommodation available, and face homelessness. This increases their change of reoffending.

  In addition, prisoners may be eligible for parole before the end of the sentence,
but cannot leave detention as they do not have suitable accommodation.

The above two interactions between high housing need and criminal justice both tend to increase the prison population:

- The recycling of high needs people between incarceration and homelessness increases the likelihood of reoffending, leading to more custodial sentences

- Challenges in people on remand or parole being accommodated in the community keeps more people than necessary incarcerated
2 South Australian Context

Section 2 reviews approaches and identifies key organisations in correctional services, youth justice, housing, homelessness and prisoner support services in SA.

2.1 Government departments

Part of the complexity of addressing the housing of ex-prisoners is that the topic spans four different sets of relationships and funding arrangements between Commonwealth and State Government:

- **Corrective Services**
  - SA Department for Correctional Services (DCS) reporting to Hon Peter Malinauskas, Minister for Correctional Services

- **Youth Justice**
  - The Youth Justice Directorate coordinates youth justice, reporting through Peter Bull as Executive Director at the Department for Communities and Social Inclusion (DCSI) to Hon Zoe Bettison, Minister for Communities and Social Inclusion
  - Covers people aged 10-17 years old when the offence is committed, but can continue involvement where the person reaches adulthood

- **Social Housing**
  - Funded and governed by the National Affordable Housing Agreement (NAHA)
  - Housing SA delivers public housing, reporting through Phil Fagan-Schmidt as Executive Director at DCSI to Hon Zoe Bettison, Minister for Social Housing

- **Homelessness**
  - Funded and governed by the National Partnership Agreement on Homelessness (NPAH)
  - Housing SA through DCSI coordinates homelessness services, reporting to Hon Zoe Bettison, Minister for Social Housing

The above arrangements are complicated, though relatively similar to other Australian jurisdictions. For all four areas, services are delivered by the States but co-funded between the Commonwealth and States.

2.2 Correctional services and youth justice

This report focuses on adult offenders, who are the responsibility of DCS. Youth Justice is considered briefly as some schemes such as IHEP cover both young people and adults. There are potentially learnings on good practice in transitioning young people from custody to the community.

DCS has a broad range of responsibilities across prisons, community corrections (covering non-custodial services and bail), rehabilitation services and prison industries. Research for this project focuses on the prison population and people on bail.
**SA correctional services**

As at 30 June 2015 the SA prison population totalled 2,732 of which 94% were male with an average age of 35.5 years (ABS, 2015). The most common offence was acts intended to cause injury (18%) followed by offences against justice (14%) and sexual assault (14%).

During 2014-15 the average number of community corrections offenders was 5,623.

Table 1 shows the 9 SA prisons, of which all but one (Mount Gambier) are run by Government. The facilities vary by size and by the type of prisoners accommodated. All house male prisoners with the exception of Adelaide Women’s Prison.

Four prisons, including the largest, are in metropolitan Adelaide (See Figure 1). These facilities are relatively close to the head offices of the social housing providers offering IHEP properties, and to OARS.

<table>
<thead>
<tr>
<th>Prison</th>
<th>Location</th>
<th>No.</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yatala Labour</td>
<td>Metro</td>
<td>553</td>
<td>high/med/low</td>
</tr>
<tr>
<td>Port Augusta</td>
<td>Reg.</td>
<td>498</td>
<td>high/med/low</td>
</tr>
<tr>
<td>Mount Gambier</td>
<td>Reg.</td>
<td>417</td>
<td>priv: med/low</td>
</tr>
<tr>
<td>Mobilong</td>
<td>Reg.</td>
<td>368</td>
<td>med/low</td>
</tr>
<tr>
<td>Adelaide Remand</td>
<td>Metro</td>
<td>274</td>
<td>remand</td>
</tr>
<tr>
<td>Cadell Training</td>
<td>Reg.</td>
<td>204</td>
<td>low</td>
</tr>
<tr>
<td>Port Lincoln</td>
<td>Reg.</td>
<td>190</td>
<td>med/low</td>
</tr>
<tr>
<td>Adelaide Women’s</td>
<td>Metro</td>
<td>156</td>
<td>high/med/low</td>
</tr>
<tr>
<td>Adelaide pre-release</td>
<td>Metro</td>
<td>80</td>
<td>low</td>
</tr>
</tbody>
</table>


However, five prisons are located in regional areas and these house 60% of SA’s prison population. As shown in Figure 2, many of these are located a considerable distance from Adelaide, as well as being away from OARS and the head offices of social housing providers in the IHEP program.

**Figure 1: Adelaide region prisons and housing providers**

![Figure 1: Adelaide region prisons and housing providers](Source: Mapped on Google Earth based on website information)
Levels of imprisonment continue to vary between jurisdictions, with the Northern Territory (NT) a clear outlier with rates in 2014-15 of 885 per 100,000 population, or 4.6 times the national average. Of the other jurisdictions, Western Australia has been consistently high (271 in 2014-15) and the ACT consistently low (113 in 2014-15).

Of all jurisdictions, SA has seen the greatest change over the last 12 years. The state has moved from number 4 to number 2 in terms of imprisonment levels, with a 58.4% increase. This is the highest rise of any jurisdiction other than NT, ahead of Victoria (+44.3%) and the ACT (+41.6%). Over the period the Tasmanian rate fell by 5.9%.

The SA imprisonment rate of 198.5 per 100,000 population is an average. For Indigenous people the SA rate is 2,473 and for non-Indigenous 149. The rate also varies according to gender with a rate of 379 for males and 25 for females per 100,000.

The SA rate for community corrections - at 422 per 100,000 - is above the national average (313) and well above the figures for Victoria (235) and NSW (279).

Reoffending rates

Many current prisoners have previously been incarcerated. Figure 4 shows the level of prior imprisonment across jurisdictions other than NT in 2005 and 2010. Rates vary considerably in 2015 from a high of 75% in the ACT in 2015 to the lowest figure of any jurisdiction with SA’s 47% in the same year. Reducing this figure further, as proposed by DCS, will be challenging.

Figure 4 also shows that the rate of reoffending has fallen between 2005 and 2015 in all jurisdictions except Western Australia. The decrease in SA was third highest nationally, and two and a half times the rate of decrease across Australia.
Potentially the introduction of programs in SA such as IHEP and IHEAAS has had an impact on reducing reoffending rate (see Section 3.2 below). However, establishing a causal link would be challenging.

**Cost benefit analysis**

Maintaining a high prison population is expensive for society. As shown in Figure 5 the annual recurrent expenditure per prisoner can be as high as $154,000 (excluding the Northern Territory). SA is one of the least expensive states, though the annual cost is still high at $96,326.

Cost calculations in Figure 5 include both operating expenditure and capital costs for the prison building. Operating costs in SA are 79% of total costs. In 2014-15 the annual cost in SA for a person on community corrections was $6,810 or 7% of the cost a person in kept in prison.

DCS has estimated a reduction in reoffending rates by 10% could lead to a $10.5 million saving (DCS, 2016). This is based on the $96,326 prison operating and capital costs in SA. However, the whole of government saving may well be higher if an individual can be both kept out of prison and transitioned from homelessness.

Australian research based on a study of people who have been in prison indicates high lifecycle costs of associated with both criminal justice and homelessness. Whole of life institutional costs for 11 NSW case study

**Box 2: Costs of poor coordination**

‘A lack of stable and appropriate housing appears consistently in connection with higher criminal justice and emergency services costs, and … becoming enmeshed in the criminal justice system exacerbates housing instability …’

‘The atomised and singular manner in which homeless persons with complex compounded needs are addressed by most agencies is extremely costly and counterproductive …’

‘A significant change in the way government human service agencies approach this small but extremely costly group of persons is required. The evidence from this project suggests that robust, holistic, cross portfolio support and intervention responses fit for purpose (e.g. appropriate and adequate disability support with housing) are needed.

Baldry et al. (2012): p.109 (first quote); pp.6-7
individuals ranged from $900,000 to $4.5 million (Baldry et al., 2012). See Box 2.

Research by Baldry et al (2012) shows a cost breakdown per person. Figure 6 gives costs for ‘Hannah’ (case study 2) whose lifetime costs to Government are estimated to be $1.1 million. Hannah is an Indigenous women born 1978 with cognitive, behavioural and substance abuse issues.

Figure 6: Lifetime costs

![Pie chart showing costs by department: Police, $259,472; Youth Justice, $284,164; DCS, $204,360; Centrelink, $238,014; Housing, $48,011; Other, $84,105.]

Source: (Baldry et al., 2012): pp.47-48

Figure 6 indicates the various agencies bearing the costs of case study Hannah’s challenges which involved 96 encounters with police from aged 13 years. The costs fall across a number of Departments, with less than one fifth falling to DCS.

**DCS initiatives**

In August 2016 DCS launched a policy target of reducing reoffending by 10% by 2020. This will be through ‘offering meaningful and targeted opportunities to address their offending behaviour to break the cycle of crime’ (DCS, 2016).

A Strategic Advisory Panel has been appointed by Government, chaired by Warren Mundine and comprising high profile representatives from academia, business, the police, media and politics. The Panel will report to DCS by December 2016.

Consulting firm Ernst & Young (E&Y) has been working for DCS since 2014-15, and recently interviewed selected community housing provider staff with soundings about a possible new financial approach to deliver additional housing for ex-prisoners. E&Y’s terms of reference have not been made available for this research project, and no contact has been made at DCS’s request.

2.3 Housing and homelessness

A significant increase in housing costs over the past decade has affected a growing number of people, including those on moderate incomes who used to be able to readily access home ownership. Between 2004 and 2012 SA median property sales prices increased by 64% from $211,500 to $346,000 (Renewal SA, 2013).

Table 2 shows the impact of housing market challenges on different income groups. Housing stress is where households pay more than 30% of income on housing costs.

<table>
<thead>
<tr>
<th></th>
<th>Very low income</th>
<th>Low income 50-80%</th>
<th>Moderate income 80-120%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of average income</td>
<td>&lt;50%</td>
<td>50-80%</td>
<td>80-120%</td>
</tr>
<tr>
<td><strong>Housing stress</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 30% on housing</td>
<td>33.8%</td>
<td>29.7%</td>
<td>26.6%</td>
</tr>
<tr>
<td>More than 50% on housing</td>
<td>20.7%</td>
<td>14.5%</td>
<td>10.7%</td>
</tr>
<tr>
<td><strong>Affordable private rents</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of rentals that were affordable</td>
<td>11.6%</td>
<td>48.1%</td>
<td>89.8%</td>
</tr>
</tbody>
</table>

Source: Renewal SA (2013). Shows proportion of residents in different income bands based on a comparison to median SA household income
Some 33.8% of very low income SA households (with incomes under 50% of the State median) are in housing stress, and one fifth pay over half their income on housing.

Table 2 also shows the proportion of private rental properties affordable to households in various income bands without being in housing stress. Low income households (earning less than half median income) could only afford to rent 11.6% of properties.

Deteriorating housing affordability in recent years has increased competition for private sector rentals. Landlords have greater choice as to who they accommodate, and ex-prisoners will likely not be able to compete with working households. Social housing and crisis accommodation is now the main housing option for this group.

**Homelessness**

Some 105,000 Australian were homeless at the time of the 2011 Census: 6% were sleeping out, others lived in severely overcrowded housing (39%), supported housing for the homeless (20%), ‘couch surfing’ (17%) or boarding houses (17%).

Many of ex-prisoners facing homelessness will be in overcrowded accommodation, couch surfing or in private sector boarding houses. Only a small number will be rough sleeping. However, insecurity of tenure and the need to change addresses often will increase the likelihood of reoffending.

SA’s rate of homelessness per 100,000 population was 37.5 in 2011, the lowest of any jurisdiction except Tasmania, and noticeably below the national rate (48.9). The SA rate is on a positive trend, down from 2001, unlike NSW and Victoria which have seen rates increase from 2001-2011.

The state’s specialist homelessness sector was reorganised in 2010-11 and now comprises 40 non-government Preferred Support Providers and government organisations offering 75 programs over 97 outlets across SA (DCSI, 2015).

**Social housing waiting lists and eligibility**

SA Government has a combined waiting list for both public and community housing. Social housing demand far exceeds supply, with 20,756 applicants on the waiting list at June 2015 (SAHT, 2015). Properties rarely become vacant, and eligible social housing applicants face long waits.

Applications are ranked by housing need, with Category 1 applicants homeless or unable to access private rentals. Category 2 applicants have high housing needs and face long term barriers to accessing other housing options, while Category 3 applicants pass the income and assets test but do not have a high housing need.

SA social housing providers accommodate higher needs tenants. In 2014-15 public housing allocations were 82.4% to Category 1 groups, similar to 83.1% for community housing (PC, 2016). Unlike up to the 1990s it is highly unlikely applicants who are low income but with no additional needs will gain a place in social housing.

Ex-prisoners who do not have housing to move back to will be Category 1 on the social housing waiting list. However, they will be competing for places against a large number of other high needs groups.

The situation has been made worse through SA public housing asset sales, in part due to unfavourable Commonwealth funding. At peak in 1992-93 there were 63,000 social homes (KPMG, 2010). This has fallen to 47,000 by 2015-16, including Indigenous social housing (PC, 2016). While social housing has declined by a quarter, state population has risen by a fifth - from 1.40 million (1991) to 1.70 million (2015, ABS).
Community housing

Not-for-profit social housing organisations are run by professional managers, supervised by skilled, professional boards. They work closely with local service agencies and not-for-profit partners, building social cohesion in often challenging neighbourhoods.

Lower income eligible tenants in community and private housing are eligible for Commonwealth Rent Assistance (CRA). This allows not-for-profit landlords to charge more rent, yet still charge tenants only 25% of income for rent. This ‘CRA maximisation’ provides more income to community housing providers who can raise bank loans to fund renewal and development.

Most SA ‘mainstream’ (non-Indigenous) social housing remains managed in the public sector, with 39,428 dwellings at 30 June 2015 compared to 5,942 in the community housing sector (PC, 2016). The 2015 percentage in the community sector (13%) is below the national average (18%).

Community housing regulation/funding

SA community housing providers have been regulated until recently through a variety of Government funding contracts. These contracts have tied particular properties to specific housing programs.

In 2009 SA Government designated 17 community housing organisations ‘Preferred Growth Providers’ (PGPs). Funding was directed broadly at a larger number of quite small housing providers - the average PGP had only 147 tenancies (SAHT, 2012).

Victoria (2005) and NSW (2007) introduced new types of controls over community housing governance and risk, with enforcement by a regulator at arm’s length to Government. This led to establishing the National Regulatory System for Community Housing (NRS), effective in SA from 2014.

There are three NRS regulatory tiers:

- **Tier 1**: organisations operating at scale (over 350 tenancies), undertaking larger property development and incorporated under the Corporations Act
- **Tier 2**: lower risk, moderate sized organisations managing between 50 and 500 tenancies, undertaking only small-scale developments, and incorporated under various legislation
- **Tier 3**: smaller (under 100 tenancies) and lower risk organisations not undertaking development

During 2016 Renewal SA is moving the funding arrangements of community housing providers to new Master Agreements. These will allow housing providers greater flexibility over portfolio management, removing the designation of certain properties for specific household types or funding programs.

Social housing reform and Renewal SA

The Australian housing debate has shifted from a focus on housing affordability at the 2007 Commonwealth election, to the ‘unsustainability’ of social housing. Issues have been highlighted by Auditor General reports in Victoria (2012), Queensland (2013) and NSW (2013) as well as the SA Triennial Review (Elton Consulting, 2014).

The March 2013 ‘Housing strategy for South Australia’ aimed to move the community housing sector to an at-scale multi-provider system (SA Government, 2013). The first transfers from public to community housing took place in late 2015 with Anglicare SA awarded 450 homes in Elizabeth Grove and Junction Australia 600 in Mitchell Park.

In January 2015 Renewal SA - the State’s development agency - was given a large role in social housing including public
housing asset management and funding control of community housing providers.

Renewal SA’s main target is to renew all pre-1968 social housing homes by 2030 to raise the quality of the housing stock and support additional jobs in building trades. Of proposed renewals, all 4,500 non-heritage pre-1968 social housing dwellings within 10 kilometres of Adelaide CBD are targeted for completion by 2020.

Continuing an approach foreshadowed in the 2013 Housing SA strategy, in 2015 Renewal SA initiated a further 4,000 transfers from public to community housing. These will likely be transferred in 2017 to 5 pre-qualified Tier 1 organisations.

Renewal SA’s aim with transfers is for community housing providers to raise bank loans to support social housing renewal. Tenders launched in 2015-16 involved social housing demolition, rebuilding at higher densities and sale of many properties to market purchasers to help fund the cost of newly built replacement social housing.

Renewal SA’s approach will work best where land values are high and there is a ready demand for new properties for market sales. It may work less well in areas with lower land values, poorer transport links and a less buoyant property market.

### Community housing provider profile

Table 3 shows community housing providers operating under NRS which covers all states except Western Australia and Victoria.

<table>
<thead>
<tr>
<th>NRS Tier</th>
<th>National</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>37</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>34</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>202</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: NRS website, data as at 25 August 2016

Larger SA community housing providers are shown in Table 4. Currently Community Housing Ltd and Common Ground have low numbers of tenancies, though along with the traditional ‘big 3’ of Unity Housing, Junction Australia and AnglicareSA are likely to share in the proposed 4,000 transfers in 2017.

### Table 4: Larger SA housing providers

<table>
<thead>
<tr>
<th></th>
<th>NRS tier</th>
<th>Tenancies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unity Housing #</td>
<td>1</td>
<td>1,700</td>
</tr>
<tr>
<td>Junction Australia #</td>
<td>1</td>
<td>1,700</td>
</tr>
<tr>
<td>Anglicare SA #</td>
<td>1</td>
<td>1,200</td>
</tr>
<tr>
<td>Cornerstone Housing</td>
<td>2</td>
<td>730</td>
</tr>
<tr>
<td>Accessible Housing</td>
<td>2</td>
<td>400</td>
</tr>
<tr>
<td>Westside Housing</td>
<td>2</td>
<td>390</td>
</tr>
<tr>
<td>Portway Housing</td>
<td>2</td>
<td>350</td>
</tr>
<tr>
<td>Frederick Ozanam</td>
<td>2</td>
<td>200</td>
</tr>
<tr>
<td>Community Housing Ltd #</td>
<td>1</td>
<td>200</td>
</tr>
<tr>
<td>Common Ground #</td>
<td>1</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Analysis by Housing Action Network of 2015 annual reports, and websites. # indicates a pre-qualified bidder for current round of 4,000 tenancy transfers

The state’s 10 Tier 2 providers are a mix of medium sized ‘mainstream’ community housing providers such as Cornerstone, Westside and Portway, and organisations catering to special needs tenant groups. One Tier 2 provider - Access 2 Place - was established by State Government to provide housing for people with disabilities.

Of the 35 Tier 3 SA community housing providers, around 20 are voluntary housing cooperatives. None of the Tier 3 housing providers are likely to have capacity to house ex-prisoners, though both Tier 1 and 2 organisations could both provide housing and undertake new property development.

### 2.4 Support agencies

The main SHS agencies involved with supporting ex-prisoners are OARS (for adults) and SYC (for young people).
The Offenders Aid and Rehabilitation Services of South Australia origins lie in the Prisoners Association established 1887. Currently the organisation provides a number of programs for ex-offenders including drug, alcohol and gambling support and emergency financial assistance.

OARS Community Transitions Supportive Accommodation Services provide state-wide specialised support for clients exiting prison either homeless or at risk of homelessness. Support is directly linked to the following dwellings where social housing landlords provide tenancy and asset management:

- 7 hostels for crisis accommodation for up to 3 months. Of these, 3 are in metropolitan areas and 4 near regional prisons (Figure 1). Managed by Housing SA, these provide a total of 42 beds
- 60 IHEP properties managed by Housing SA and community housing providers, allowing residency up to 12 months. An additional program provides support for IHEP eligible clients in short term accommodation. See Section 3.2.
- Various accommodation for domestic violence perpetrators, and victims
- Support for residents of the Transitional Housing Program (THP) managed by community housing. See Section 3.3.

In 2014-15 OARS assisted 2,467 program clients of whom the largest proportion - 36% - accessed supportive accommodation services (OARS, 2015). Of the individuals assisted, 15% were aged under 25 years old - an overlap with services provided by SYC.

Of OARS’s income of $4.5 million in 2014-15, $3.3 million was from Government grants and the remainder mainly fee for service revenue. OARS employ 16 staff.

SYC is a long-established not-for-profit providing employment, training and homelessness services for disadvantaged youth under 25 years old in SA, Victoria and to a lesser extent Queensland and NSW.

HYPA (Helping Young People Achieve) Housing is a division of SYC supporting young people access and sustain secure accommodation. The organisation operates from offices in Adelaide, Elizabeth, Woodville and Murray Bridge as well as running the Eastern Adelaide Youth Homelessness Service.

In 2010 SYC through HYPA won a tender to provide case management support for 20 IHEP Youth Justice Program properties targeted at young people aged 16 and above who are or have recently exited SA’s youth training centres. Tenancy and asset management is provided by Housing SA and several community housing providers.

Second Chances

Unlike OARS and SYC, Second Chances is not funded as a SHS provider though does receive grant funding. It is a Christian faith-based not-for-profit charity providing support for prisoners, their families and children.

Second Chance volunteers visit prisoners while incarcerated, mainly in metropolitan Adelaide prisons but also Port Lincoln and Mobilong. Assistance is provided with practical matters such as property storage and banking as well as emotional support, friendship and mentoring.

The organisation’s work helps prisoners in the transition back to the community, in particular maintaining and rebuilding links with their families. Work with prisoners' children helps families reunite and reduces the chance this vulnerable group will themselves enter the criminal justice system.
According to accounts filed at the ACNC, Second Chances had income of $319,000 in the year to June 2015. Of this $130,000 was State Government grants, $72,000 ‘other grants’, $58,000 sales from charity shops and the remaining $59,000 donations. Hence 63% of income came from grants.

In 2015-16 Second Chances provided support to 32 families, mentored 32 children at holiday camps, delivered 25 furniture packages and befriended 75 prisoners across 6 prisons. Services are delivered by 2 full time and 6 part-time staff and 100 volunteers (ACNC, 2015).

2.5 Examples from other jurisdictions

Each state has its own crime legislation, criminal justice system, police and court system and juvenile justice approaches. There are also differences in rates of arrest and incarceration, approach to Indigenous offenders and support for victims as well as offenders with cognitive disabilities.

NSW

A number of people spoken to for this research commented on the fragmented nature of responses to homelessness and people exiting prisons. People who were aware of practice in several states commented positively on SA practice, both in terms of coordination between support and housing, and extra housing delivery.

NSW’s residential-support arm of the Community Justice Program (CJP) provides case management with housing support for a few hundred people with intellectual disability exiting prison in NSW who would otherwise be homeless.

Established in 2006, CJP appears anecdotally to be having a positive effect in keeping its clients out of the criminal justice system. The program is delivered by SHS organisations and does not have links to community housing providers, nor designated properties as under IHEP.

The Court Integrated Services Program (CISP) in Victoria, although supporting lower-needs clients with a disability, appears to be having similar benefits to CJP in NSW. However, with only 40 ex-offenders helped each year demand far exceeds supply.

Homelessness providers in NSW have become more geographically fragmented after the 2013 ‘Going Home Staying Home’ reforms. These awarded SHS contracts to larger service providers divided across 15 geographical districts. Contracts were based on young people, adults or families - leading to a ‘mainstreaming’ of provision with less option for SHSs providers to develop a specialisation in ex-offenders (Box 3).

One NSW not-for-profit organisation with a similar role to OARS in SA is the Community Restorative Centre (CRC). While CRC lost much funding with SHS changes in NSW, they still provide limited accommodation support, for example:

- An inner city boarding house
- Transitional housing for women prisoners in south west Sydney in partnership with Women’s Housing Company, a community housing provider.
- In partnership with community housing provider Wentworth Housing, transitional housing in the Blue Mountains

CRC offered support to 308 ex-prisoners in 2014-15, and 151 families of prisoners (CRC, 2015). They also provide a useful booklet ‘planning your release’ with simple information on matters such as finance and housing. CRC support specialisation in support for ex-prisoners - see Box 3.
NSW involvement in supporting housing for ex-offenders is decreasing. In 2014-15 both the NSW Department of Families and Community Services and Corrective Services NSW ended their funding of transitional housing for ex-offenders.

**Northern Territory**

An interviewee provided details of OutCARE in Alice Springs - accommodation and support program run by Anglicare NT for former male inmates after prison release. Up to 5-7 residents - of whom one third are Indigenous - are accommodated in a house, on both short and long term tenancies.

The program is considered by Anglicare to be a success, and is said to have resulted in a low rate of reoffending for its tenants. The success has been down to the following:

- The program starts six months before the release of the prisoner, and there is a preliminary visit to the accommodation
- The quality of the service of case workers is high and a harmonious relationship firmly established at the outset. This high service level continues throughout the program
- There are additional incentives such as ex-offenders fixing up damaged properties while in custody, then moving into the same property after release

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**Box 3: Reflections from NSW**

‘… there is a broader shift away from funding specialised services in the [NSW] community sector. The generalisation of government service provision and the one-size-fits-all funding model is in direct contradiction to what CRC has consistently found works for their clients: specialist, holistic, flexible, long term support …’

‘… there remains an inherent bias against research and evaluation that focus on the value and impact of small, specialist services …’

Source: CRC (2015) p.8
3 Community Housing’s Role

Section 3 reviews approaches by not for profit housing providers in providing accommodation for ex-prisoners, with a particular focus on SA schemes.

3.1 Not for profit roles and responsibilities

Community housing providers both in Australia and overseas have been involved for many years in accommodating high needs tenants, including ex-offenders. With the growth of the not-for-profit share of social housing delivery in most developed countries, new and more formalised programs have been developed. IHEP and THP are two specific examples from SA.

International experience

The most comprehensive work on the work of the community housing sector in housing ex-offenders is from England (Mills et al., 2013). Key points are shown in Box 4.

Some 130 out of 137 prisons in England and Wales have access to housing advice, with most provided by not-for-profits. Often the focus is on offenders keeping their accommodation while in prison, and working with private and social landlords and in some cases mortgage lenders to avoid homelessness on exit from prison.

The connection in England between prisons and community housing providers is less coordinated than in SA, where the role is mediated by DCS and Housing SA. In England community housing providers may choose to establish links with local prisons, though only 20% of survey prisoners knew of these links where they existed. Only 4%

Box 4: Reflections from English experience

‘The reluctance to accommodate ex-offenders felt by social and private housing providers may be overcome if they can secure access to support packages, or if their rental income is guaranteed, to reduce the perceived anxieties about the risks posed by this group …

‘It is also worth noting that whilst stable housing plays an important role in helping to reduce the risk of re-offending, it cannot take place in isolation from other initiatives. Structural factors such as housing and employment may take away the economic need to commit crime, but desistance from offending is an active, continual process which requires ex-offenders to have the motivation not to re-offend. Initiatives such as mentoring schemes or floating support workers to help clients to manage their accommodation, or overcome crises that emerge … are already provided by some [third sector organisation] but could be expanded in order to enhance and maintain ex-offenders’ motivation to desist from crime

“This paper establishes a clear need for further research in this area … Furthermore, in order to further evaluate the role of [third sector organisations] in securing housing provision, longitudinal research could examine what third sector housing support prisoners are given and follow them up after their release to ascertain their eventual housing outcomes and gauge the effectiveness of support.

Source: Mills et al. (2013) p.47-48
exited prison into community housing - despite the sector providing 50% of English social housing (Pawson et al., 2010).

In the Mills et al. survey, respondents who had used community housing services were generally positive about help they received in trying to keep or secure accommodation, and recognised housing services for prisoners had improved considerably in recent years. However, there remained a reluctance of some housing providers to accommodate high needs applicants. As in SA, the English research indicates greater problems in regional than urban areas. Housing supply for ex-offenders is more limited, and locally based housing providers tended to have lower capacity and often did not have properties in ideal location from those exiting prison. Often regional prisons accommodated offenders from a wide geographical area.

The English survey further highlighted common themes in Australia, such as problems caused by the administrative silos of correctional services and housing, and the split of social housing between public and community housing providers.

### 3.2 IHEP and IHEAAS

The Integrated Housing Exits Program (IHEP) was established in response to a report by the SA Social Inclusion Board (2003) on reducing homelessness. The report identified issues still important now:

> ‘Without support and assistance, release into an environment with the same unresolved problems and risks they faced before they were sentenced proves too difficult for some prisoners, hence the high recidivist rate. This creates a cycle of imprisonment and release, which is costly in social and economic terms’ (ibid, p.45).

### Housing supply

Table 5 shows the 10 social housing landlords managing IHEP properties for adult ex-offenders. By far the largest is Housing SA with 42%. Most community housing providers only have modest numbers of IHEP property, and are mainly NRS Tier 1 and 2 providers.

<table>
<thead>
<tr>
<th>Housing provider</th>
<th>Status 2013</th>
<th>NRS Tier 2016</th>
<th>Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing SA</td>
<td>Public</td>
<td>n/a</td>
<td>25</td>
</tr>
<tr>
<td>Unity Housing</td>
<td>PGP</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td>Cornerstone Housing</td>
<td>PGP</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>AC Care</td>
<td>PGP</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Portway Housing</td>
<td>PGP</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Anglicare SA</td>
<td>PGP</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Junction Australia</td>
<td>PGP</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Community Housing Limited</td>
<td>PGP</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Frederick Ozanam</td>
<td>PGP</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Wesley Country Housing</td>
<td>PGP</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>


IHEP was designed to accommodate 60 adult ex-prisoners and 20 young people exiting detention. Initially housing was sourced from Housing SA’s general portfolio, with specific properties not quarantined.

Later, as part of the 2009 Nation Building Economic Stimulus Plan (NBESP), Housing SA constructed 1,360 new social housing dwellings (SAHT, 2012). Of these 607 were transferred in 2011-12 to community housing providers designed as PGPs.

NBESP properties in SA were designated for people homeless, or at risk of homelessness. Asset ownership was transferred to PGPs, and properties designated for specific at-risk groups.
new-build NBESP properties became part of IHEP, substituting older Housing SA stock.

All NBESP properties came with a designated Preferred Support Partner who would provide case management to the tenants. Under IHEP, the Support Partner is OARS - see section 3.4.

**Program design**

IHEP is a ‘housing first’ program run in partnership between social housing providers, DCS and OARS. Housing first is an approach to ending homelessness that provides housing quickly then support services as needed through an agreed case management plan.

**IHEP targets people:**

- Exiting a custodial sentence, at the end of their prison term or on remand
- With high and complex needs and/or having experienced repeat periods of homelessness
- Who have been in custody for less than 12 months (with priority for people in custody for under 6 months)
- Are assessed as having Category 1 housing needs (Housing SA, 2013)

DCS prison-based social workers identify prisoners who may have a housing need on exit and refer them to the Housing SA Outreach Program where staff visit prisons each month. Housing SA undertake a needs assessment, and if the person meets Category 1 housing eligibility and IHEP criteria they are referred to the DCS IHEP Coordinator in Adelaide.

The DCS IHEP Coordinator will check the suitability of the prisoner for IHEPS placement, taking into account risk factors. The DCS Coordinator maintains an effective waiting list of people suitable for IHEP and their dates of leaving incarceration.

IHEP social housing providers advise DCS of up-coming vacancies on designated IHEP properties. When vacancies arise there will be a meeting between DCS, the housing provider and OARS to determine an appropriate placement. After the three parties agree, the prison resident will be informed of the proposed arrangement.

IHEP tenants enter into an initial 12-month fixed term lease with the landlord. Rent will be set according to respective rules for public and community housing, with tenants of the latter housing able to claim CRA.

Eligible people who are not successfully allocated an IHEP property, potentially due to lack of stock, will be referred to OARS for ongoing case management and support. This is through the Integrated Housing Exits Alternative Accommodation and Support program (IHEAAS), established 2012.

**IHEP performance**

Detailed, consistent performance data for IHEP is not publicly available. Information from the DCS annual reports is shown in Figure 7. Potentially due to lack of available dedicated social housing stock before NBESP properties became available, IHEP places were as low as 39 in 2008-09, only rising to 60 from 2012-13 onwards.

IHEAAS referrals have increased since the scheme started in 2012, rising from 26 in 2013-14 to 61 in 2014-15. This suggests there is unmet demand under IHEP. Data is unavailable on the success or otherwise of this scheme in terms of successful housing outcomes versus re-incarceration. It is also not clear whether IHEAAS residents are in private rentals or social housing.
Information on reoffending rates is contained in selected SA Housing Trust annual reports, with the most recent and comprehensive information for 2012-13.

Figure 8 shows the housing outcomes for the 58 people exiting IHEP in 2012-13. Of the total, 13 returned to custody on a breach of their conditions and 8 were charged with a new offence. The total of 21 people (36%) returning to prison is below the state average (47%), but could be improved.

From Figure 8, only one person exited IHEP into employment. A total of 11 people disengaged from support services, of whom 5 were evicted from their IHEP property.

3.3 IHEP feedback

Research for this report gathered wide-ranging stakeholder views on IHEP. This will be useful in considering how IHEP delivery could be enhanced, as well as indicating ideal features of future schemes proposed by DCS through the work of E&Y.

Community housing provider views on IHEP were gathered by both a workshop attended by most IHEP landlords and an earlier online survey coordinated by CHCSA. In addition, Unity Housing, who manage most IHEP properties, were consulted separately.

Although many housing providers noted various challenges with housing ex-prisoners, and with IHEP, when asked specifically all said that they looked to continue to provide housing for this group.

Landlord costs

Ex-prisoners housed under the IHEP are high needs clients and many tenants have a history of drug and alcohol addiction. This increases the need for support services and transfers a high level of risk and cost onto the community housing provider.

Consultations with insurance company AON in 2015 indicated that significant increases in the excess on community housing provider policies was due to large claims on a few IHEP properties. Now all community housing providers have higher insurance excesses on their policies.

An analysis by one community housing providers was said to shows the IHEP properties achieved an average deficit of around $3,300 per property per year. This
form of housing is likely to be less cashflow positive than accommodating other groups.

**Challenging tenant behaviour**

There is a high incidence of significant property damage under the IHEP program, such as roller doors slit with a knife, copper piping stolen, bathroom fittings stolen and windows screwed in. Potentially the new NBESP properties were less robust than some of the older Housing Trust stock.

Tenant damage can lead to both direct financial costs, such as the excess on insurance policies, but also long void periods. Social housing landlords need to cover the costs of periods when the IHEPS properties are not able to be occupied due to damage by previous tenants.

Ex-prisoner tenants have also provided issues for staff. An interviewee mentioned a male tenant assaulting an OARS worker, and normally two landlord staff will attend home visits. This can be challenging for community housing providers to arrange in regional areas where they may only employ one member of staff part-time.

Challenges regarding neighbour harassment and threatening behaviour are an issue for this category of tenants. It has been a particular problem where IHEP properties are part of mixed-income, mixed-tenure medium density NBESP developments.

**Issues facing tenants**

IHEP tenant guidelines are strict on not allowing guests to stay, or pets to be kept. Animals can provide companionship for tenants, and help reintegrate ex-prisoners into the community. However, there can also be the problem of what happens with the animal if the tenant goes back to prison.

We understand some social landlords are allowing limited says by guests (for example family members). This would appear to be a sensible approach, and play a part in reducing the chances of reoffending.

Community housing landlords highlighted the problem with unsuitable visitors such as those linked with previous law breaking activity. Experience was that many tenancy breaches resulted from visitors rather than the tenant themselves. This is seen to be a hard issue to address as it puts the onus on the released prisoner to control who visits them and how the visitor behaves.

One of the main social issue said to face ex-prisoners was isolation and loneliness. Often the tenants sit at home all day and are not accessing any kind of community interaction. The problem might be made worse if they are moved to an area based on where an IHEP property is available, rather than prior community connections.

Social housing landlords noted how IHEP tenants often feel re-incarcerated and can therefore lose their tenancy. A community housing provider stated that out of the 29 IHEP program tenants in their program only 4 have had positive outcomes. However, lack of cross-provider data makes it hard for an individual landlord to know overall program success rates or build on examples elsewhere of best practice.

Exiting people from prison to surviving on the Newstart Allowance was seen by several interviewees as pushing people into poverty. Tenants might receive $527.90 per fortnight Newstart then pays 25% of income in rent. This leaves less than $200 per week to live on. It was thought exiting people to poverty with no other financial support would increase chances of reoffending.
Transition from prison

The processes around allocations to IHEP properties and the transition period from prison to tenancy were often thought by community housing providers and the support agency to need improvement.

While in prison, assessment of tenancy applications is through Housing SA, prison and DCS staff. Communication was said to be an issue, with the community housing provider and support agency being given little information about the client. This makes it harder to match the property to a client’s needs, and provide the right support.

While privacy is clearly an issue, information such as the nature of the offence may assist in better allocating accommodation. It might also be better to have a round table discussion between the various agencies. The impression given by interviewees was that the allocation decision was largely made by DCS, with little external input.

There are a number of operational issues under the scheme around the time a prisoner is released from jail, for example if this is late in the day. Problems arise from a lack of communication from the prison, unanticipated justice delays, leading to a problem in staff and transport availability.

The timing of prison release can also lead to administrative problems of Centrelink benefits, arranging rental bonds and completing tenancy paperwork. These issues can all cause delays in signing up the tenant on time. We understand housing providers and the support agency sometimes take a somewhat flexible approach on paperwork completion.

Several community housing providers commented that the dates set for prisoner release were often not achieved. This was normally due to court delays or other issues with the criminal justice system. As a result, it was not uncommon for extended vacancy periods for IHEP properties which leads to a loss of revenue for the landlord.

Other operational issues

Several IHEP properties are located near the prisons, geographically scattered across regional SA with large distances apart. This results in difficulties for landlords efficiently managing the properties and tenancies.

We have been advised it can at times be challenging to match tenants to some of the regional properties, leading to vacancies. Often clients are looking for properties to be better located in the areas they know, or for them to move closer to Adelaide.

IHEP tenancies are for 12 months. Most landlords thought that this period was too rigid, and most wanted the ability to have longer leases in certain situations where it would help clients better exit back into the community. A minority of landlords thought shorter lease periods would work better so the limited number of IHEP properties could better meet demand.

Ex-offenders who do really well in their IHEP housing and no longer require support, but still require a roof over their head, are forced to move out of the designated property when the lease ends. As IHEP properties are earmarked for a particular purpose, it is not possible for the tenant to remain in the same property but enter into a different type of tenancy arrangement.

Support services

A community housing provider noted success with a small allocation of IHEP housing stock when working with the Second Chance agency (see section 2.4). Higher performance on community re-integration was due to visits prior to release.
and excellent support services specifically aimed at the families of ex-offenders.

Community housing providers thought highly of OARS, but considered they were under-funded and under-staffed. This could result in more limited support services being provided which in turn can promote lack of community engagement and connection.

**Support agencies’ views**

Interviews were arranged with staff from OARS, and the HYPA team of SYC. A recurrent issue raised was the lack of IHEP housing stock with the number of properties having remained unchanged for 10 years. This was during a period of higher prisoner numbers, and more exits from prison.

The agencies believed more work was needed on program evaluation. IHEP was said to select lower risk tenants who were less likely to reoffend. However, the reality was often high levels of recidivism, property damage and poor tenancy outcomes.

In contrast to the scheme for adults, the IHEP program for young people provided pre- and post-release support. This approach gives greater continuity, easing the transition back to the community.

However, HYPA staff echoed comments made by community housing providers that there were problems with the exit timings from prison of prospective tenants. It was said often ex-offenders are released without the correctional facility providing accurate or timely information to the support provider.

The support agencies noted differences in approach between public and community housing landlords. Housing SA was said to be slower than the community housing sector in clearing voids as the latter’s maintenance teams moved quickly. This had the benefit of making properties available for rent more quickly.

However, community housing providers who are more dependent on their rent revenues were seen to be faster and more efficient in dealing with non-payment of rent, and rent arrears. It was said that Community housing tenants in arrears would more quickly be referred to SACAT than in public housing.

The support agencies thought community housing providers’ rigorous approach to voids and vacancies was driven by the requirements of NRS. For example, vacancies need to be less than 3% and less than 28 days. This can limit the flexibility for IHEP tenants under the scheme.

### 3.4 Other housing initiatives

Only a minority of people leaving SA prisons are accommodated in IHEP properties. Very little is known of the housing careers of the ex-prisoner population as a whole, or of the comparative reoffending rates analysed between housing tenure on entry or exit.

This section of the report looks at other known housing options for ex-prisoners, where social housing landlords play a role, including transitional housing and crisis accommodation. Any future scheme for new ex-prisoner housing needs to take into account both the demand for, and current supply of, properties of this type.

Figure 9 shows 167 properties that have been identified through this research. These encompass the designated places for ex-prisoners, though exclude general social housing accommodation occupied by ex-prisoners, IHEAAS supported accommodation and further places available for young people exiting the justice system:

- **IHEP**: 60 adult and 20 youth justice places (57%). Management and ownership split between Housing SA
and community housing providers, support provided by OARS and SYC

- Hostels: 42 adult places (25%). Managed and owned by Housing SA with support provided by OARS
- Transitional Housing: 45 adult places (27%). Owned by Government, managed by community housing providers, supported by OARS

**Figure 9: Ex-prisoner housing supply**

![Ex-prisoner housing supply graph]

Source: additional information supplied by OARS

Figure 9 analyses ex-prisoner supply by landlord type. Housing SA with 80 properties provide nearly half the available housing for ex-offenders. Unity Housing with 26.5% are by far the largest community housing provider for ex-prisoners, followed by Wesley Country (7.2%), Junction Australia (6.6%) and Cornerstone (3.6%). Several community housing providers only offer a small number of ex-offender homes.

**Transitional housing (THP)**

Historically Housing SA owned and managed transitional housing for high needs tenants, with accommodation linked to support packages. This was aimed at applicants needing immediate housing solutions to prevent homelessness.

In late 2013 the Transitional Housing Program (THP) of 490 of 681 Housing SA transitional tenancies was competitively tendered to PGP community housing providers. Bids were invited across 10 areas, both regional and metropolitan Adelaide. Transfers of existing transitional tenancies took place in mid-2014.

The THP involves Housing SA head-leasing properties to community housing providers for an initial period to June 2018 at a nominal rent of $1 per week. Providers establish a memorandum of understanding with various SHS support providers. Tenants can remain in THP properties for up to 18 months, paying 30% of household income on rents (adjusted for CRA).

THP provides 45 places to accommodate ex-prisoners, or just under 10% of housing stock in the program. The scheme is run separately to IHEP, and there appears to be limited coordination between the programs other than at a support provider level.

Community housing providers interviewed for this project consider both IHEP and THP tenancies to be challenging, mainly as they are accommodating high needs tenants. Issues of property damage, high tenant turnover and complex links with support providers are common across the programs.

**Crisis accommodation**

OARS are support providers at 7 hostel properties. Four are in regional areas close to prisons (Mount Gambier, Port Lincoln,
Berri for the Cadell Training Centre, and Port Augusta), three in metro Adelaide.

Boarding housing style shared accommodation is used as a short term crisis option, generally for up to 3 months.

**BASP program**

The Bail Accommodation Support Program (BASP) is an agreement between Anglicare SA and SA Government to supply 30 beds for alleged offenders granted bail with housing issues. BASP will allow homeless people to provide an address to the Court so that bail can be granted, helping reduce the prison population.

A Request for Proposal for BASP was issued in June 2014, and it is understood Anglicare SA were the only conforming bid respondent. This perhaps indicates the challenges in establishing a competitive market for tenders of this type given the complexity of the target residents.

Anglicare SA will fund the development and own the BASP property, which will be located on Dale Street, Port Adelaide. The land is already owned by Anglicare SA, with Government providing funding for capital and operating costs over a 15-year lease arrangement. The property is expected to be ready for occupation in April 2017.

BASP will offer voluntary short term tenancies for 10-28 days and tenants must adhere to bail conditions and house rules. The building will have 24/7 support from Anglicare SA and the program will provide services for health, financial advice and try to maintain any current employment.

### 3.5 Delivering future additional housing

While NBESP properties for IHEP were delivered through SA Government procurement, the more likely way to develop additional future properties to house ex-offenders will be using the community housing sector. This is due to:

- SA community housing Tier 1 providers now more clearly operating at scale, with governance and risk controls under NRS and development capacity
- Changes within SA Government have passed asset and redevelopment responsibility to Renewal SA who favour development by community housing
- Community housing’s enhanced cashflows through taking advantage of CRA payments to tenants can allow leveraging to fund development, reducing the need for grant funding

**Alignment with Renewal SA**

The agency’s main focus through their Renewing our Streets and Suburbs (ROSAS) program is to deliver sustainable communities, reduce social housing concentrating, better match social housing supply with demand, and replace and refurbish older social housing stock.

DCSI has more of an emphasis on housing and services for higher needs tenants, including preventing homelessness. However, Renewal SA has a continuing role in delivering new social housing assets and maintaining current properties. It also has responsibility for community housing which has direct involvement in THP and IHEPS.

Future new housing supply initiatives for ex-offenders will need to carefully navigate the complex architecture of SA Government agencies. Potentially Renewal SA should be the lead agency, and aim to integrate new ex-offender housing in the broader ROSAS renewal initiatives.
Social impact bonds

Given the scale of need for housing and supporting ex-offenders, additional funding is needed. Social impact bonds are a way of raising funds from third parties where their repayments are linked to an organisation achieving measurable social outcomes.

The leading example of social impact bonds targeting reduced reoffending was ‘One Service’ introduced at Peterborough Prison in England from 2010 (Disley et al., 2016):

- Prisoners serving sentences under 12 months were provided with intensive support before and after release with a focus on support and housing
- Ex-prisoners were monitored and supported for 12 months after leaving prison, and if they reoffended further support in prison would be given
- Funding was provided by private investors who receive repayment plus a bonus - funded by England’s equivalent of DCS and the National Lottery - if reoffending rates fell by over 10%

The outcome of the project has been:

- Virtually all participants in One Service had positive experiences and were positive about the service received
- Results from 2010-14 showed an interim 8.4% reduction in reoffending. Due to the working of the scheme investors may still get a bonus depending on data to be released later in 2016

Specific learnings from the project are shown in Box 5. Many of these findings are applicable to the design of schemes that reduce reoffending, whether or not social impact bond finance are used.

Box 5: English social impact bonds

‘… one factor that was consistently reported as underpinning the continuous improvements and local innovations in the pilot was the presence of a Director of the One Service. The Director took a leadership role in developing partnerships and in creating opportunities for better integration between partners, including co-location, joint access to the management database, and increased pre-release contact between relevant services and service users in the pilot …

‘… there is no compelling reason to believe that SIB funding on its own fosters innovation … these kinds of innovations are not necessarily lacking in other funding and delivery models …

‘Longer-term engagement was challenging to achieve. The relatively short period over which most service users were engaged with the One Service, and the focus in early months on practical issues (ensuring cohort members had stable accommodation, access to benefits, etc.), raises questions about whether the One Service had time to challenge cohort members’ ‘offender’ identities, develop their motivation to change, and encourage them to re-assess priorities.

Source: Disley et al. (2016) pp.57-62

In July 2016 NSW Government announced their third social impact bond which will target preventing 3,900 people on parole over the next 5 years returning to prison. Intensive support will be given to parolees to reintegrate to the community with the focus on their first 4 months on parole.

Investment will be by National Australia Bank and a variety of community organisations in a new ‘On Tracc’ program
(Transition Reintegration and Community Connection). Undisclosed returns will be based on comparing re-incarceration data after 12 months with historical trends.

On Tracc will be delivered by long established not-for-profit organisation ACSO based in Victoria and parts of NSW. The organisation works across community support services, mental illness, homelessness and supporting ex-offenders.

Social impact bonds have limitations:

- They may encourage ‘quick fix’ solutions to housing ex-offenders that give short term benefits, providing financial return to investors, but longer term do not prevent homelessness or reoffending
- Metrics selected to measure social impact will need to be simplified to make the scheme work, though might not measure the true benefit to public expenditure or individual outcomes
- Bonds are better suited to service delivery and integration where modest amounts of carefully targeting funds can make a difference. It is uncommon to use social impact bonds for capital intensive projects such as delivering new social housing
- Bonds are costly to establish, and often complicated and slow to implement

**Innovative finance**

Contemporary community housing providers tend to mix different sources of funds (public grants, bank loans) and different tenors (securitising future cashflows, cross subsidising public benefit from market sales) to package finance for social and affordable housing development.

Future SA schemes to deliver additional housing for ex-prisoners should review these different options, listed below:

- **Estate renewal through cross-subsidy**
  
  ROSAS development projects in SA and ‘Communities Plus’ in NSW both fund transforming social housing estates through selling a portion of newly developed homes to private purchasers. Generally older, lower density social housing is demolished then replaced by medium density housing spanning social housing and market sales.

- **PPP principles**

  Social Public Private Partnerships (PPPs) often involve a flow of public funding to an organisation or special purpose vehicle that undertakes a capital project and deliver services for a fixed number of years.

  The BASP program in SA has characteristics of a PPP, as does the recently launched NSW Social and Affordable Housing Fund (SAHF) that procures new social and affordable housing together with targeted support coordination to enable better social and community outcomes (see Box 6).

- **Specialist Disability Accommodation (SDA) funding**

  The National Disability Insurance Scheme (NDIS) is creating a need for additional affordable, accessible housing. Eligible NDIS recipients will have an SDA funding payment that can be aggregated to help fund the capital costs of new construction.

  The SDA is noticeable for making different levels of payment depending on the type of property provided (single home, small group home for 5 people etc.). Payments are also weighted based on different land costs.
The approaches described above used for BASP, SAHF and SDA require annual payments from Government rather than an up-front capital contribution. This can be preferable for Governments who do not wish to raise their borrowing levels.

NSW’s SAHF, which is currently at Request for Tender stage from community housing providers, has useful pointers. There is an explicit link between housing and support, and payments from Government are linked to achievement of social outcomes. SAHF therefore incorporates features from social impact bonds, though up-scales funding to a level that supports capital investment.

**Box 6: NSW’s SAHF innovation**

- $1 billion invested by Government in a Fund, with earnings on the Fund used to invest in new social and affordable housing
- 3,000 new homes in Phase 1, mix of metropolitan and regional areas
- Each new home has a ‘Service Package’ funded from the Fund over 25 years where Government pays for (1) accommodation services, (2) asset and tenancy management services (3) tailored support coordination services. Note the services themselves are delivered by a separately funded support provider
- Applicants bring their own land and pay for development based on a stream of cashflows over 25 years. Asset ownership remains with the consortium, not Government
- Program open to consortia that must include a Tier 1 or Tier 2 community housing provider. 10 consortia were successful in the Expression of Interest, announced mid-2016

Source: NSW Government (2016)
4 Analysis and Recommendations

The SA approach to accommodating ex-offenders compares relatively well to other jurisdictions reviewed briefly during the research for this report. For example:

- There has been an historic focus on additional housing supply with IHEP and BASP, rather than using current social housing properties in a zero sum game
- New supply schemes are under consideration, at a time Britain and NSW are withdrawing funding
- Both SA correctional services (DCS) and housing agencies have been proactive in housing ex-prisoners
- DCS’s ‘10% by 2020’ target is a rare example in Australia of Government prioritising a reduction in reoffending system-wide and explicitly
- SA’s support of OARS as the main support service agency has avoided the fragmentation of the east coast states

Institutional complexity between agencies responsible for correctional services, housing and homelessness appears to be a feature nationally and internationally. There are issues in SA, though relatively modest.

The suggestions below for how the SA system could be improved are intended as discussion points for the stakeholder Forum.

4.1 Enhancing current programs

While Government’s current focus is considering new ex-offender housing and support programs, it would be timely to review and modify IHEP and IHEAAS:

- Both programs need independent evaluation based on access to reoffending data, and prisoner interviews. Does access to IHEP and IHEAAS reduce reoffending compared to prisoners who do not take part?

Note; Learning from IHEP and IHEAAS should feed directly into the design of any new housing program under consideration by DCS

- The scheme’s rules were last drafted in 2013 and there have been changes to Government approaches, for example the move from PGPs to NRS and the new roles for Renewal SA

Social housing provider roles

Currently a relatively large number of Tier 1, 2 and 3 community housing providers have IHEP properties, but often low numbers. This is not efficient, nor does it allow specialised in-house skills to be built. In future there might just be 5 IHEP landlords, with Housing SA ‘first amongst equals’.

Partnering with OARS and providing tenancy services to ex-prisoners might be as good a role for Tier 2 as Tier 3 housing providers. As noted in Section 4.4, roles around development and management could potentially be separated.

Although the THP program was transferred from public to community housing, there are few persuasive arguments for all of IHEP to be transferred from Housing SA, at least for the foreseeable future.
Housing SA is strong in regional areas, and a significant number of prisons are located regionally. Potentially the metropolitan IHEP properties could be tendered to community housing providers.

**Risk sharing**

Currently the risk sharing over IHEP and THP properties is imbalanced, with social housing landlords bearing the cost of voids, vacancies, arrears and tenant damage. This may lead to community housing providers become more reluctant in future to partner with DCS over housing ex-prisoners.

Risks are currently not matched with rewards. Under IHEP the risks are largely borne by the social housing landlord but the financial benefits of a tenant not reoffending will be for the DCS's benefit.

Potentially certain design features of social impact bonds could be used such that a ‘bonus’ is provided to the social housing landlord if a tenancy is sustained and the client does not reoffend.

Community housing providers need to underwrite the regular risks of their landlord business, such as maintenance voids, but not risks specific to the client groups such as extended vacancy periods due to legal delays in the prisoner being released.

A future risk sharing agreement might place a cap on the costs of tenant property damage, and provide funding for additional days’ rent so that properties can be kept available for a designated prisoner.

**Tenancy and property terms**

Current IHEP leases are for 12 months. Sometimes this may be too long, other times too short. Social housing providers, working in close conjunction with support providers, should have greater flexibility on the lease term. Safeguards need to be set to ensure a balance across the landlord's IHEP portfolio.

Consideration could be given to a degree of flexibility on tenancy terms and conditions, for example the pet policy. For some tenants keeping a pet might not be a problem.

Community housing landlords should be encouraged to benefit from the greater portfolio management options possible under the Master Agreements. IHEP tenants could be accommodated in any suitable property, not just those developed under NBESP. This may allow more suitably located properties to be offered to clients.

**4.2 Delivering ‘10% by 2020’**

Introducing a new ex-prisoner housing and support package will likely not be enough to achieve the 10% reduction. Therefore:

- The enhancements to IHEP and IHEAAS suggested in Section 4.1 should be specifically targeted to help reduce reoffending
- The THP properties reserved for ex-offenders need to be part of the 10% reduction plan, and a review needs to be undertaken of THP to find ways it might be able to work better
- Other housing pathways for ex-offenders need to be reviewed to determine if there are opportunities to reduce reoffending. For example, many prisoners are accommodated in social housing on exit, but without support

While the 10% reoffending reduction target has been set by DCS, it needs to be ‘co-owned’ by social housing landlords and OARS. Data should to be collected, analysed, publicised and discussed between the various Departments and organisations that will all contribute to targets being met.
4.3 Improving service delivery and coordination

While informal links between the various actors and institutions appear to work well, these would benefit from being formalised. Potentially there needs to be:

- A steering group attended by DCS, OARS, SYC, Housing SA, Renewal SA and community housing providers to:
  - Monitor progress with ‘10% by 2020’
  - Share examples of best practice, including between SYC and OARS
  - Better coordinate between the various types of housing products (IHEP, BASP, THP, any new housing supply product)
  - Discuss inter-agency challenges and tensions
  - Ensure there is optimum coordination between Government agencies; and between public and community housing providers and agencies
  - Assess evaluation data on program performance
- New Memoranda of Understanding between agencies and housing providers relating to housing ex-prisoners in general, rather than the details of specific programs

**Prisoner connections**

Both the research literature and practical examples from Australia (SYC, OutCARE etc.) show the benefits of early contact between support and housing providers and prisoners. Currently most in-prison contact is handled by prison welfare staff.

Potentially OARS could be funded to be the main point of contact with prisoners about housing options, rather than DCS or Housing SA. This would allow:

- Detailed identification of housing options suitable for the prisoner, and ready access to a range of housing options. OARS probably has the best view across crisis, transitional and IHEP accommodation
- An earlier establishment of a relationship with a support provider, easing the transition out of prison
- Prisoners to take a more active role in property and landlord selection. This might increase the chance the property will be well looked after, rent paid and the tenancy sustained
- OARS to keep information of clients applying for housing who have previously left rent arrears or charges for damage. This needs to be communicated to landlords, and protections put in place.

Housing assessments to determine whether a prisoner is Category 1 could still be done by Housing SA but on the basis of written information supplied by the prisoner, assisted by OARS. The majority of ex-prisoners are likely to meet Category 1 criteria so it should be straightforward.

The physical transition from prison to housing needs to be better planned. Potentially OARS and the housing provider could have an agreement where some of the paperwork is completed after prison exit, with financial backing from specific funds earmarked for this purpose.

**Other supports**

Although the focus of DCS looks to be more around delivery of new housing and support packages, smaller issues can be important. Prisoners’ needs in term of loneliness, connection to community, and access to
basic services such as banking, benefits, furniture are important.

Potentially there could be a greater role for funded semi-voluntary organisations such as Second Chances. Investment in ‘soft’ support such as developing employment skills and assistance with making long term goals may be equally beneficial as new housing in reducing reoffending.

4.4 New Programs

Any new housing supply program under consideration by DCS needs to integrate with and fill potential gaps in the existing supply of housing options for ex-prisoners. This will require a more nuanced understanding of the demand for and supply of housing options for ex-offenders, and their housing careers.

New properties will need to address need in terms of location, length of tenure, access to transport and community facilities, support needs and property type. Greater diversity of housing type and location would be of benefit, ranging from individual houses, small shared group homes and clustered accommodation near support agencies.

Boarding Houses are not necessarily a good option for ex-prisoners as the surroundings and regime resembles prison life. It is not recommended to follow the BASP approach.

Housing supply

New housing supply would best be tendered to Tier 1 community housing providers, potentially integrated within Renewal SA ROSAS projects. SAHF and BASP give pointers to financial models that maximise the leverage community housing landlords can achieve through CRA maximisation.

New property development could be undertaken by Tier 1 providers, with potentially housing services the responsibility of Tier 2 or 3 providers that specialise in ex-offenders.

Funding and property ties

Social impact bonds are unlikely to fund new dwellings, but could provide useful extra funds and market disciplines for wrap-around support. However, the international research is not conclusive that bonds will noticeably reduce re-offending. It might be best to use the principles of social impact bonds, for example better coordination and enhanced result monitoring.

If social impact bonds are used, care is needed as to over what period reoffending is measured. Twelve months might not be long enough and encourage short term fixes to boost investor return.

New housing delivery models would ideally avoid the IHEP problem where specific properties are allocated solely for ex-prisoners. This can lead to neighbour tensions, and less flexibility matching supply with demand as properties are fixed location. However, care is needed to prevent ex-prisoners being housed in poorly located, poor quality dwellings.

Evaluation

As with IHEP, IHEAAS and THP there needs to be full evaluation of any new housing supply product or social impact bond. This needs to be longitudinal to better understand the housing careers of ex-prisoners. People leaving prison need to both avoid reoffending and homelessness. Both are costly for State Government.

The evaluation needs to be action orientated, feeding into program design up to 2020 targeting reductions in reoffending.
Attachment: List of Interviewees

Individuals listed below are based in SA, except where indicated *.
Participants in the community housing provider workshop on 16 August 2016 are indicated #.

- Professor Eileen Baldry, University of NSW *
- Hon Zoe Bettison, Minister for Social Housing
- Angela Brian-O’Brien, Intellectual Disability Accommodation Association (IDAA)
- Trish Burden, Chief Operating Officer, Unity Housing #
- David Brown, Chief Executive of Department for Correctional Services
- Andrew Davies, Business Development Manager, Unity Housing #
- Phil Fagan-Schmidt, Executive Director, Housing SA
- Leigh Garrett, Chief Executive Officer, OARS Community Transitions
- Sally Gaven, Sally Gaven Consulting *
- Wayne Gibbings, General Manager Housing and Urban Development, Junction Australia #
- Liam Golding, Chief of Staff, Minister for Correctional Services
- Annette McKee, Director, Strategic Policy, Projects and Partnerships, Department for Correctional Services
- Kate McGarry, Community Service Manager, Anglicare SA
- Hon Peter Malinauskas, Minister for Correctional Services
- Christine Matisse, Cornerstone Housing #
- Peter Mitchell, Housing Manager, AC.Care #
- Tania Noonan, Manager Housing Services, Westside Housing
- Joe Noone, Manager Industry Partnerships, Renewal SA
- Liz O’Connell, General Manager - HYPA, SYC
- Jackie Ross, Portway Housing #
- Wendy Scullen, Business Relations Leader, Renewal SA
- Carol Shard, Director Statewide Services, Housing SA
- Lynley Street, Strategy and Policy Specialist - Industry Engagement, Renewal SA
- Jennifer Townsend, Project Manager, NSW Federation of Housing Associations *
- James Xavier, Operations Manager, Cornerstone Housing #
- Leanne Young, Portway Housing #
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