A new study in Brisbane, Queensland has added to growing evidence of the cost effectiveness of Housing First interventions in Australia.

The report, *A Housing First approach to homelessness in Brisbane: Sustaining tenancies and the cost effectiveness of support services*, demonstrates that people with extensive experiences of homelessness and complex needs are able to successfully transition to housing, with concurrent reduced costs on the broader social services system.

Funded by the Ian Potter Foundation, the project tracked a number of people experiencing homelessness and into housing over a three-year period. The participants were assisted to access housing and sustain their tenancies through a range of Housing First programs operated by Micah Projects.

**What is Housing First?**

Housing First represents a significant departure from more traditional approaches to ending homelessness. Traditional ‘housing readiness models’ see people move through crisis and short-term accommodation or rehabilitation programs before they are considered ready to be permanently housed. In contrast, Housing First involves the rapid identification and provision of suitable, long-term housing, and the provision of services that individuals and families require to maintain this housing.

**Cost reduction**

Homelessness is a costly experience, both for the individuals experiencing it and for their communities. Homelessness has devastating consequences for physical and mental health and the realities of living on the street mean few access primary health care. This increases the pressure on high-cost acute or emergency services. Involvement with police and court systems is also higher for people experiencing homelessness.

This study showed the overall cost to the health, justice and community service system reduced substantially as individuals transitioned from homelessness to home. This was due largely to the reduction in use of justice services, with the cost to police and the courts dropping from an average $8,719 per person per annum to just $2,172. Overall there was little change in costs associated with health service utilisation.
Similarities with other Australian research

The reduction in police and court involvement and the minimal change in health service utilisation associated with the Housing First interventions in this project were also found in a 2013 evaluation of Micah Projects Street to Home team1.

The cost reduction is also supported by the latest AHURI Cost of Homelessness study. Published in 2013, Flatau and Zaretzky found that following a year of homelessness support, the cost to the health system decreased by $1,559 and the cost to the justice system by $2,3972.

IMPLICATIONS FOR POLICY AND PRACTICE

Investing in Housing First programs is cost effective

Housing people with support costs less than keeping a person homeless. While the Housing First interventions themselves represent a cost to the service system, they are clearly associated with a reduction in costs elsewhere and achieve a far better outcome for formerly homeless people and their community.

A Supportive Housing Policy framework is required to formally align housing and support services, to set program specifications and to direct funding for housing subsidy and housing-linked support.

A Housing First approach to directly assist rough sleepers into housing is contingent upon reliable and transparent access to long-term sustainable housing with linked support.

Brisbane’s Street to Home program, which was the initial assertive outreach service working with the majority of participants in this study, successfully managed to access secure housing. This was aided by the heightened national focus on homelessness, and the increase in funding for support services through the National Partnership Agreement on Homelessness and capital funding through the Nation Building Economic Stimulus Plan.

Brisbane Common Ground is the only formal supportive housing initiative operating under explicit supportive housing and linked support service specifications. Development of a supportive housing policy framework and expansion of the existing program specifications would enable supportive housing to go to scale, ensuring delivery consistent with established evidence for a range of high need population groups.

We must build a supportive housing system that brings together dedicated permanent housing and support, quickly and predictably, to ensure pathways out of homelessness for those most in need.

Integrated, tailored primary health services

While Housing First interventions led to whole-of-government cost offsets, the change in health service utilisation costs was minimal. The best outcome for government and individuals is to be found in supporting individuals to access primary health care that will allow for the treatment of illness and maintenance of well being without inappropriate recourse to emergency health services. Integrating health with Housing First support teams as well as providing tailored primary care programs is best practice in addressing this issue3,4.

Further research needed

It is important to continue to explore the cost offsets and outcomes for people who were homeless and receive a Housing First model of long-term housing plus support. This should include the costs associated with utilisation of the crisis homelessness system, which were not considered in this research. Larger sample sizes and longitudinal studies are an important next step. The methodology used in this research was resource intensive. Linked administrative datasets across jurisdictions would provide a stronger analysis of whole-of-government costs, including funded community services.

2Zaretzky, K. and Flatau, P. 2013 The cost of homelessness and the net benefit of homelessness programs: a national study, Australian Housing and Urban Research Institute, Melbourne.
3Zaretzky, K., Flatau, P., and Jones, A. 2011 Effect of Full-Service Partnerships on Homelessness, Use and Costs of Mental Health Services, and Quality of Life Among Adults With Serious Mental Illness Archives of General Psychiatry vol 67 no 6 pp 645-652

Excerpt from Creating Homes: Lives Changing. Ian was not a participant of the research study.

‘I was having trouble at the unit with people coming over at all hours. I’d be sitting back having a soft drink and people would turn up with grog cause they can’t drink on the streets. I was getting into trouble and got 3 eviction notices.

So I applied for Brisbane Common Ground. It’s the same rent and the workers are always here. It’s great to have someone to talk to if I need. A lot of park people keep things to themselves and will drink themselves to death if no one shows they care.’

Photography: Katie Bennet, Embellysh.
Ian’s Story

I grew up in Cherbourg. I got into the wrong crowd early and started stealing. I ended up in Westbrook Detention Centre when I was 15 for stealing horses. It’s you against the screws in those places. Then I went to adult jail when I was 17. The cops were pretty bad those days. Give you a biffing and make you sign a statement.

I’ve worked most of my life - tree lopping, ring barking, cane planting, labouring, council work. Then the police signed me up as an Indigenous Police Liaison Officer. It started out as prevention but ended up putting people in. It was meant to be helping people rather than identifying them and locking them up.

I camped in and around New Farm Park for four years. Then Micah got me into a unit of my own with everything in it. They promised it and then did it. I’d been promised by others before but told I had to wait six years. Micah helps with work, doctors, Aboriginal organisations. They are good people.

Micah organised me to pay my rent before I got it. It stopped me spending all my money drinking and smoking yandi. I lost my job at Council and was ready to chuck the unit in and go sleep rough. I would have just gone on the piss and back to my old ways. But Micah helped me get a medical report so I could start working again.

I was having trouble at the unit with people coming over at all hours. I’d be sitting back having a soft drink and people would turn up with grog cause they can’t drink on the streets. I was getting into trouble and got 3 eviction notices.

So I applied for Brisbane Common Ground. It’s the same rent and the workers are always here. It’s great to have someone to talk to if I need. A lot of park people keep things to themselves and will drink themselves to death if no one shows they care.