Measuring the social return on investment of public housing transfers

Housing Choices Australia
Background

- State Governments are considering substantial public housing management transfers with tenants in situ to the community sector. There is a lack of post transfer evaluation.
- The Tasmanian Government has transferred management of 4,000 properties to community housing providers.
- In June 2014 Housing Choices Tasmania, a not-for-profit social housing company, took over the management of 1,175 properties and about 2,300 residents in North West Tasmania.
- This study presents the forecast outcomes, impacts and changes for residents and stakeholders of the transfer using the Social Return on Investment (SROI) methodology.
Better Housing Futures – The Tasmanian Initiative

Shorewell Park (Burnie):
- 525 Properties
- 5 staff

Devonport:
- 650 Properties
- 14 staff

In one of the largest stock transfers undertaken in our industry, we successfully took over the management of 1,175 public housing properties on behalf of the Tasmanian Government, under the BHF initiative.
Social Return On Investment (SROI) Forecast

- Measures forecast environmental and social impact of activities relative to resources spent
- Outcomes based and measures change for stakeholders
- Establishes a baseline for ongoing data collection and evaluative SROI analysis
- Independently verified
- Housing Choices co-delivered with Ernst & Young:
  - Builds skills in consultation & evaluation, relationships with residents and identifies service improvements
  - Ernst & Young directed the study, and did modelling
  - Interviews with residents, staff, government and service providers formed the basis for the Theory of Change
  - Further data collection via stakeholder surveys was used to capture the lived or perceived ‘change’
Resident Choice and Engagement

- HCA Developed a ‘Residents’ Choice Programme’ offering a four week ‘free bond’ and choice of a $500 voucher and $1,500 of works or $2,000 of works within the first 12 months of lease transfer.
- 85% of the residents have signed leases with HCA in 16 months
- Popular items for upgrades works that residents chose include:
  - New floor coverings
  - Security doors and window screens
  - Security lights and skylights
  - Painting
  - Kitchen modifications
  - Fencing and gates
- Overall resident satisfaction 84%

“It feels a lot warmer in here already. We signed up with Housing Choices because they’re really responsive and do the maintenance when it needs doing.”

“We can now plan some goals for our future. This would not have happened without Housing Choices.”

“We went to one of the community meetings at the Child and Family Centre.”
Resident Experience from Before and After the Transfer

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Neutral</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00</td>
<td>2.00</td>
<td>3.00</td>
</tr>
<tr>
<td><strong>My housing officer would help me and/or one of my family members...</strong></td>
<td>0.71</td>
<td>0.13</td>
</tr>
<tr>
<td>My relationship with family members was good</td>
<td>0.30</td>
<td>0.31</td>
</tr>
<tr>
<td>The overall level of stress in my household was high</td>
<td>0.75</td>
<td>0.17</td>
</tr>
<tr>
<td>If I needed it, I knew where to get help and support</td>
<td>0.57</td>
<td>0.52</td>
</tr>
<tr>
<td>If I wanted to, I felt comfortable speaking with my neighbours</td>
<td>0.74</td>
<td>0.42</td>
</tr>
<tr>
<td>I felt involved in making decisions about my home and...</td>
<td>0.98</td>
<td>0.11</td>
</tr>
<tr>
<td>I went along to events and activities happening in my area</td>
<td>0.57</td>
<td>0.74</td>
</tr>
<tr>
<td>I was able to think about setting some goals for the future</td>
<td>0.57</td>
<td>0.52</td>
</tr>
<tr>
<td>I could easily talk to my tenancy manager, they would listen to me</td>
<td>0.74</td>
<td>0.42</td>
</tr>
<tr>
<td>I felt positive about my and/or my family's future</td>
<td>0.98</td>
<td>0.11</td>
</tr>
<tr>
<td>If I needed anything fixed I knew it would happen quickly</td>
<td>0.98</td>
<td>0.11</td>
</tr>
<tr>
<td>I felt safe and secure where I was living</td>
<td>0.35</td>
<td>0.11</td>
</tr>
<tr>
<td>I was stressed about my living situation</td>
<td>0.35</td>
<td>0.11</td>
</tr>
</tbody>
</table>
Average change in each outcome for all residents

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peace of mind</td>
<td>8%</td>
</tr>
<tr>
<td>Sense of security</td>
<td>3%</td>
</tr>
<tr>
<td>Confidence</td>
<td>14%</td>
</tr>
<tr>
<td>Sense of community inclusion and connectedness</td>
<td>11%</td>
</tr>
<tr>
<td>Physical health</td>
<td>10%</td>
</tr>
<tr>
<td>Maintaining family relationships</td>
<td>7%</td>
</tr>
</tbody>
</table>

- **Peace of mind**: 8%
- **Sense of security**: 3%
- **Confidence**: 14%
- **Sense of community inclusion and connectedness**: 11%
- **Physical health**: 10%
- **Maintaining family relationships**: 7%

Quotes:

- "I feel more secure with HousingChoices. With Housing Tasmania I wouldn’t get anything better than this.”
- "With Housing Choices they don’t brush you off and treat you as a human being.”
- "My kids are not scared anymore.”
- "The pergola looks really nice; people at the bus stop say how nice it is.”
- "Heat system helped immediately. I can walk into son’s room and be warm and cosy, before hallway and bedrooms were teeth chattering cold. System stopped the condensation, no-one is sick anymore.”
- "I was battling depression and just being able to have my kids here is a great feeling”
Present value of social value from transfer

Forecast social value created over 10 years for all stakeholders (subject to verification*):

- Overall HCA creates $6,200 of value per tenancy in Year 1, and $56,669 per tenancy over 10 years
- For every dollar invested, a forecast social return of between $1.0 and $1.2 can be expected for the first 3 years
Conclusion

- Management transfer is a substantial change for residents and causes stress about living situation.
- Whilst there is a positive social return ratio for the transferred portfolio, there are a range of stakeholders expected to receive value that has not yet been forecast.
- Value goes beyond tenant satisfaction with customer services and maintenance to improvements in confidence, peace of mind, feeling safe and secure, physical health benefits and better relationships with family members.
- Significant value is added beyond what would have occurred if properties had remained under the State Government.
- By co-delivering the SROI our organisation has grown its capacity to undertake evaluations and identify service improvements.
Our operations now - Housing Choices Australia

- Nine offices in Victoria, Tasmania and South Australia
- Tenancy management of 3,430 dwellings (of which 1,512 are owned)
- House over 3,700 people in our dwellings
- $500 million in total assets
- Over 800 new dwellings constructed in the last seven years
- Debt facilities in place of $63 million with NAB and Westpac
- 105 staff across nine offices
- 60 Support Agencies partnerships
- Dedicate at least 25% of properties to people with disabilities