

Review of Housing Support Products

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# Key terms

* **Alternative housing:** Private housing such as rentals and home ownership. A place that is not provided by Housing New Zealand (state houses), Community Housing Providers (community housing) or by local territorial authorities (council housing).
* **Public housing:** Properties owned or leased by Housing New Zealand and registered Community Housing Providers that can be tenanted by people who are eligible for public housing.
* **Transitional housing:** Transitional housing provides short-term housing (12 weeks on average) for people with an immediate housing need while support is put in place to transition them into sustainable housing on a long-term basis.
* **Emergency housing:** Where transitional housing places are fully subscribed MSD helps meet the cost of short-term accommodation (motels, boarding houses, camp grounds) through payment of a Emergency Housing Special Needs Grant.
* **Social Housing Register:** People in need of public housing are recorded on the Social Housing Register, which is comprised of a Housing Register and a Transfer Register.
* **Accommodation Supplement:** A weekly payment to assist people who are not in public housing with their rent, board or the cost of owning a home. A person does not have to be receiving a benefit to qualify for Accommodation Supplement.
* **Housing Support Products:** A set of individual products that aim to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance.

# Executive summary

## Purpose

This report outlines how the Ministry of Social Development’s (MSD) housing support products (HSPs) are being accessed by clients and reviewed and improved by MSD.

The findings of this report contribute to a review of HSPs by MSD’s housing policy team. Findings and recommendations are based on research completed in August 2017 using standard MSD data and internal focus groups with Work and Income case managers who are the frontline staff, that use HSPs to support clients.

## Background

HSPs are intended to help recipients meet the costs of moving into housing in the private rental market, or sustaining the tenancy of their existing housing. The original policy intent was that HSPs should only be considered after all other options available to the client to meet their particular needs have been exhausted.

## Research findings

* **HSPs are associated with moving out of public housing**: 70 percent of HSP recipients who lived in public housing left it within one month of receiving HSPs.
* **HSPs may also help prevent recipients who are already in alternative housing from moving into public housing or onto the Social Housing Register**: 96 percent of HSP recipients already living in alternative housing remained out of public housing one month after receiving HSPs.
* **Use of HSPs has been increasing** since their launch in July 2014, with 66 percent of all HSPs being used in the 12 months to 30 June 2017.
* **HSPs are particularly helpful for some people**, such as recipients who don’t qualify for other forms of assistance. HSP recipients tend to be female (77 percent), Māori (49 percent), single (44 percent), with children (44 percent), receiving a main benefit (67 percent), and not in public housing system or on the register (58 percent).
* **Bond Grant, Letting Fees Assistance and Rent in Advance** are the most commonly used HSPs, the least expensive (of those HSPs with monetary costs), and commonly administered together as a package.
* **Tenancy Costs Cover** is least commonly used and may discourage landlords from letting to MSD recipients by implying a likelihood of damage to their property.
* **Level of uptake of HSPs is consistent with policy intent but also reflects other factors**. Case managers use HSPs only after exploring other options first, however they also identified other complications they encounter when using HSPs such as complex eligibility criteria and perceived administrative barriers.

## Actionable insights

Recommendations are made based on the research findings. MSD’s Policy team will consider other factors alongside these suggestions and consequently their own recommendations may differ.

We recommend strengthening the overall effectiveness of HSPs in the following ways:

* **Consolidate the range of HSPs to those products which evidence indicates are most effective.** Bond Grant, Letting Fees Assistance and Rent in Advance are most used. Transition to Alternative Housing Grant and Tenancy Costs Cover are among the least used. Insights MSD recommends redesigning Statements of Satisfactory Tenancy so that they do not trigger discrimination against recipients.
* **Maintain current characteristics of HSPs that evidence shows help recipients.** For example, the current income limits on HSP recipients mean they are more accessible to those who do not qualify for other forms of assistance. Where suitable and consistent with policy intent, HSPs could be offered alongside comparable forms of recoverable assistance.
* **Incentivise the use of HSPs.** Offer pre-approval of HSPs for suitable applicants. This would enable them to look for alternative housing, safe in the knowledge that when they secure a home, they will be able to afford and sustain their tenancy.
* **Operational practice could be strengthened** with renewed training on HSPs for case managers and addressing complicated administrative processes.

# Background

Housing Support Products is a set of individual products that aim to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance

Housing Support Products (HSPs) were established in 2014 and are designed to help people overcome financial and behavioural barriers to alternative housing. HSPs are for eligible people who can sustain alternative housing but cannot meet the costs associated with either moving to or maintaining alternative housing. These supports are intended to be considered after all other options available to the client to meet their particular needs have been exhausted.

MSD has been allocated $2.6 million per annum for HSPs. This funding is a limited appropration which requires careful management, which means all forms of other assistance which could cover the same housing hardship issues are considered before issuing an HSP.

Figure 1 below shows the housing continuum and how HSPs are used to move people from insecure, transitonal or public housing to private rental.

#### Figure 1: Housing continuum[[1]](#footnote-1)

**HSPs**

For the purposes of this review, HSPs refers to the following products:

* **Bond Grant:** A non-recoverable payment of up to $2,000 to assist recipients moving from public housing into alternative housing, where there is a gap between the client's existing bond using Income Related Rent and bond payable at usual rent amounts.
* **Letting Fees Assistance:** Non-recoverable assistance (up to the cost of one week’s rent plus GST) available to meet the cost of letting fees for recipients moving into alternative housing.
* **Moving Assistance:** A recoverable payment of up to $1,500 to help with the physical cost of moving.
* **Rent in Advance:** A non-recoverable payment (up to the cost of two weeks’ rent or $1,000, whichever is less) towards the cost of rent for recipients considered able to afford and sustain alternative housing.
* **Statement of Satisfactory Tenancy:** A detailed written reference from public housing providers that directly targets landlords' three core concerns when selecting tenants (rent arrears, damages and behaviours).
* **Tenancy Costs Cover:** A conditional grant recipients can use to give landlords assurance they can meet any tenancy-related costs in excess of the bond if owed at the end of the tenancy.
* **Transition to Alternative Housing Grant:** A non-recoverable incentive payment of $3,000 that may be offered to support recipients currently living in public housing in areas with high waiting lists, who volunteer to move into alternative housing.
* **Relocation from Auckland Assistance[[2]](#footnote-2):** comprises two payments up to a total of $8,000 to help eligible recipients who wish to relocate from the Auckland area:
* Moving Assistance: up to $5,000 to help with actual and reasonable moving costs when moving from the Auckland area.
* Establishment Grant: up to $3,000 (or $2,000 if moving into public housing), which supports households to establish themselves in a new area.

The **Conditional Grant for Housing Assistance Letter** is also a HSP but was not included in the scope of this review.

## Review of HSPs

The HSPs established in 2014 (and Relocation from Auckland Assistance, established July 2016) have not been evaluated before.

In August 2017, MSD’s Research and Evaluation group conducted an analysis of administrative data (available to 30 June 2017) and four focus groups with case managers to provide evidence on what amendments, if any, should be made to ensure HSPs are effective.

Further information about the methods used is provided in the Appendix.

All findings should be interpreted with the limitations of the data and methods in mind; these are discussed in the *Actionable insights* section. This report presents the findings of this work, and potential areas to consider for improvement.

# Research findings

Overall, 5,367 HSPs were granted in 3,021 occasions, to 2,840 unique recipients from July 2014 to 30 June 2017.

## HSPs are associated with recipients achieving and maintaining alternative housing

Administrative data and focus groups both suggest that as intended, HSPs help recipients move out of public housing or off the social housing register. However conclusions cannot be made about whether HSPs ‘cause’ these changes, because HSPs are targeted at recipients who are already likely to be able to sustain alternative housing. We also don’t know whether these recipients would have left public housing anyway (even without HSPs).

## Most HSP recipients leave public housing within a month

HSPs are associated with recipients moving out of public housing within one month (see Figure 2[[3]](#footnote-3)).

Of those HSP recipients who were living in public housing when they received HSPs (n=566), 70 percent (n=397) left within one month.

At 30 June 2017, 86 percent (n=2,138) of all HSP recipients were not living in public housing (eg were living in private rental and/or were on the Social Housing Register).

#### Figure 2: Percentage of HSP recipients in public housing and on the register

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## HSP recipients move off the Social Housing Register

There has been an overall decline in the proportion of HSP recipients on the Social Housing Register: 21 percent (n=566) of HSP recipients were on the Social Housing Register before receiving HSPs; only six percent were on the register at 30 June 2017.

However, where moves out of public housing happen within a month of HSP receipt, moves off the register appear to take longer than one month. In the month following HSP receipt, the proportion of HSP recipients on the register declined little, from 21 to 20 percent.

Some possible reasons for this delayed decline (from 21 to 6 percent) are that factors other than HSPs have helped move HSP recipients off the register, or it takes longer for the effect of HSPs to show up on the register than it does to show in public housing tenancies. The latter explanation is consistent with the specific nature of HSPs – they are targeted at immediate costs associated with moving, and are therefore effective at helping recipients out of public housing quickly. Moving off the register depends on factors such as the ability to sustain alternative housing, so it can take longer than one month for this to happen.

## HSPs may help prevent recipients from entering public housing or going on the Social Housing Register

Despite patterns of moving out of public housing and off the Social Housing Register, most HSP recipients (58 percent, n=1,536) are not in public housing or on the register to begin with, and 75 percent were receiving the Accommodation Supplement. These recipients are likely to have either: contacted MSD about their housing need; be currently ineligible for public housing but at risk of future eligibility; or eligible for public housing but not on the register. Rather than an incentive to leave public housing, this use of HSPs may reflect a preventative measure to help them stay in alternative housing (also consistent with the original policy intent). Most (96 percent, n=1,472) of HSP recipients who were not in public housing or on the register before they received HSPs, stayed out of public housing and off the register over the month following HSP receipt. Further, 93 percent of these recipients (n=1,375) were still out of public housing and off the register at 30 June 2017.

## The small number of recipients who receive HSPs multiple times show similar patterns to the overall group

According to the administrative data, a small number of recipients received HSPs on more than one occasion (and usually no more than two occasions in total). Note however that this group is only 6 percent (n=181) of all HSP recipients, and is likely an overestimate due to how the data was classified (described further on page 18).

This group showed similar patterns of leaving public housing as the overall group of HSP recipients, despite being more likely than single-use HSP recipients to have been in public housing (45 percent compared with 21 percent respectively) before their first HSP use.

Overall, the proportion of repeat HSP recipients who were in public housing declined from 45 percent before their first HSP to 11 percent a month after their first HSP use; from 25 percent before their second HSP use to 7 percent a month later, and remained at 9 percent overall as at 30 June 2017.

## A pattern of increasing use further supports the effectiveness of HSPs

The helpfulness of HSPs is also reflected in a pattern of increasing use. A total of 5,367 HSPs were used between July 2014 and June 2017, on 3,021 occasions by 2,840 recipients. Use of HSPs has been increasing throughout this period (see Figure 3), with 68 percent of all HSPs (3,634) being used in the 12 months to 30 June 2017. This pattern could suggest that familiarity with the products fosters further use, or that knowledge about HSPs may be spreading among case managers or among potential recipients.

#### Figure 3: Number of HSPs used per month

## HSPs make a difference in unique and discretionary situations

### HSPs address the final hurdles in obtaining alternative housing

Case managers agreed that HSPs were very helpful for recipients. HSPs were most useful to support recipients over the last hurdle into alternative housing (where the recipients were otherwise unlikely to sustain their tenancy).

“*I don’t think in the current housing situation we would be able to support our recipients without them*.”

*“She was able to get a private rental that she might not have been able to access before.*”

“*We’ve got the products there, but we have not got the stock to put them there, there’s nowhere to put them.*”

- Case managers

However, HSPs do not address the wider problems (ie lack of affordable supply) which prevent recipients from leaving public housing and therefore limit the extent to which HSPs can be helpful.

### HSPs are helpful for particular recipients

HSP recipients tend to be female (2,147 or 76 percent of recipients), Māori (1,379 or 49 percent of recipients; see Table 1), and according to their benefit information are un-partnered (1,624 or 57 percent; note that 28 percent were partnered and 15 percent unknown), and with dependent children (1,245 or 44 percent; note that 3 percent had benefit rates that specified no children, 26 percent had benefit rates that did not specify whether the client has children, and 27 percent were unknown). Most were receiving either Sole Parent Support (30 percent) or Jobseeker Support (23 percent) benefits, while 27 percent were not on a main benefit at the time of HSP receipt (see Table 2).

#### Table 1: HSP recipients’ ethnicities

|  |  |
| --- | --- |
| Ethnicity | Percentage of HSP recipients |
| Māori | 48.6 |
| New Zealand European | 23.8 |
| Pacific Island | 17.6 |
| Other | 7.0 |
| Unspecified | 3.0 |

#### Table 2: HSP recipients’ main benefit types

|  |  |
| --- | --- |
| Main benefit type | Percentage of HSP recipients |
| Sole Parent Support | 29.5 |
| Not on any main benefit | 26.8 |
| Jobseeker | 23.2 |
| Supported Living Payment | 9.7 |
| Non-benefit support | 6.5 |
| NZ Superannuation | 3.3 |
| Others (includes Emergency Maintenance Allowance, Emergency Benefit, Jobseeker Student Hardship, Veteran’s Pension) | 1.0 |

HSPs tend to be used by particular groups of recipients. For example, around a quarter (27 percent) of all HSP recipients were not receiving a main benefit, and case managers reported HSPs were useful for people not on a benefit because these recipients do not meet criteria for other forms of housing assistance but do qualify for HSPs because they have a higher income limit than other forms of assistance.

“*I know it made the difference… he was going to be living in his car.*”

- Case manager

### Regional patterns of HSP use differ from original intentions

Originally, HSPs were intended to be used primarily in Auckland, Wellington and Canterbury, because these regions had high volumes of public housing applications.

Instead, actual patterns of HSP use show that HSPs are being used primarily in Auckland (49 percent of all HSPs; see Figure 4) and Northland (22 percent). This suggests that HSP use is not driven by the same factors which original expectations were based on, perhaps due to changing housing markets or barriers to HSP use detailed on pages 14-15.

#### Figure 4: Regional locations of HSP recipients



## Some HSPs are very helpful but others are less effective or even detrimental

### Bond Grant, Letting Fees Assistance, and Rent in Advance are the most commonly used HSPs and cost less than other monetary HSPs

The most commonly used HSP (see Figure 5) was Bond Grant (37 percent of all HSPs, n=1,966), followed by Rent in Advance (15 percent, n=791) and Letting Fees Assistance (13 percent, n=661). These three HSPs were likely to be used together on the same occasion – for example, 37 percent (n=731) of all Bond Grants were used in combination with Rent in Advance; 31 percent (n=608) were used with Letting Fees Assistance. Conversely, 92 percent (n=608) of all Letting Fees Assistance and 92 percent (n=731) of all Rent in Advance were used with Bond Grants. Case managers agreed that the primary HSPs they used were Bond Grant, Letting Fees Assistance and Rent In Advance.

*“Ninety-nine times out of a hundred those [Bond Grant, Letting Fees Assistance and Rent in Advance] would be the three that we pay.”*

- Case manager

#### Figure 5: Number of different HSPs used

Bond Grants, Letting Fees Assistance, Rent in Advance and Moving Assistance were on occasion administered more than once to the same client in the same event. In these cases, the maximum total amount of these HSPs was $4,000.00, $1,817.00, $1,588.00 and $2,650.00 respectively. These amounts may indicate that the actual cost of these services exceeds the cap on these products. Further evidence of this is that grant amounts show some clustering near their caps – Figure 6 shows a peak in the number of capped grants (Bond Grants and Moving Assistance) offered at their cap amount ($2,000 and $1,500 respectively). However, peaks are also present at lower amounts for both products (eg at $1,400 for Bond Grants and at $500 for Moving Assistance). Further evidence (eg market analysis of bond and moving costs) could be helpful in understanding how well the caps on these products reflect actual costs.

Despite some repeat use, Bond Grant, Letting Fees Assistance and Rent in Advance cost less on average than other monetary HSPs ($1,251.45, $429.22, and $474.26 respectively). However, they do not represent the lowest cost HSPs, as some (eg Statement of Satisfactory Tenancy) have no monetary value. Conversely, the most expensive HSPs were Transition to Alternative Housing Grant (mean cost = $2,821.57) and Relocation from Auckland Assistance (overall mean = $4,451.12).

#### Figure 6: Frequency distribution of Bond Grants and Moving Assistance

### Transition to Alternative Housing Grant may be less effective, and Tenancy Costs Cover potentially counter-productive

Transition to Alternative Housing is a flat rate of $3,000 and is intended to support public housing tenants who voluntarily move to private housing. It has a low rate of uptake relative to other HSPs, which could be due to the different eligibility criteria (eg being exclusively used during tenancy reviews). No case managers mentioned using Transition to Alternative Housing Grant, and they suggested that such incentives (regardless of amount) are not effective at encouraging tenants to leave public housing when there are housing supply issues.

“*In Auckland you hardly find anyone who wants to give up their housing anyway.*”

- Case manager

Some HSPs may discourage landlords from letting to recipients. For example, case managers suggested Tenancy Costs Cover is detrimental to recipients because it signals tenants may damage the property. According to case managers, these HSPs can *“paint a bad picture for everyone”*.

Similarly, case managers stated that Statements of Satisfactory Tenancy also signalled landlords to be somewhat wary because they implicitly highlight a client’s vulnerable (income) status. Statements of Satisfactory Tenancy were often (83 percent; n=60) used with Transition to Alternative Housing Grants, which may suggest they are used in a limited range of contexts similar to those where Transition to Alternative Housing Grants apply (ie during tenancy reviews).

## The level of uptake of HSPs is consistent with policy intent, but may also reflect other factors

Even though the policy intent for HSPs was that they be considered after all other options have been exhausted, case managers also mentioned other factors that may impact their level of uptake.

### Case managers use other products before HSPs

Consistent with the policy intent, case managers did not actively promote HSPs and only used them when all other options had been explored first. Case managers stated that they only think of HSPs when faced with a client who does not qualify for other forms of support.

*“We use the advances instead of these but we go over the limit… We don’t go [to HSPs] because that’s last.”*

“*We’re only pulling it out of the recesses of our mind when we’re maybe in a situation with a client and we’re stuck.*”

- Case managers

Accordingly, case managers reported using a number of alternative products before turning to HSPs such as advances on a benefit (and extending these beyond the usual limit), Emergency Housing Special Needs Grants and other Special Needs Grants.

Case managers also commented that use of HSPs was highly limited by their relative invisibility in the large amount of information they need to remember and maintain awareness of on a day-to-day basis (despite HSPs being promoted to case managers through regular communication channels). Previous work has also demonstrated low visibility of HSPs among clients[[4]](#footnote-4) and housing providers[[5]](#footnote-5).

### HSPs are difficult for case managers to administer

Case managers also agreed that HSPs are difficult to administer and that this is a major barrier to their use. They are difficult to find information about, are not administered in the same IT systems, and the eligibility criteria is more complicated than other forms of assistance. Further, guidelines about the use of HSPs have been unclear. For example, there was confusion among case managers about whether HSPs can be used for recipients not in public housing, which is consistent with patterns of limited use in regions with low volumes of public housing (eg Wairarapa). Some mentioned that they understood the HSP fund to be capped and so assumed it had already been exhausted (this perception was incorrect).

“*One of these you have to grant in SWIFTT… it’s a pain.*”

“*It took two of us to work through [the eligibility criteria].”*

*“We thought they were so good for our recipients… we had to jump so many barriers...*”

- Case managers

Case managers also commented on the ease of use of other products relative to HSPs. For example, they found it easier to use business as usual products than the less familiar HSPs.

# Actionable insights

In this section we make recommendations based on the research findings, to be considered by MSD to review and improve HSPs. Any implementation of these suggestions requires consideration alongside other factors such as cost, competing priorities, and wider issues. HSPs constitute a range of relatively low-value products spread across the welfare and housing systems, and thus consolidating HSPs may be considered.

## Strengthen the effectiveness of HSPs

### Streamline the range of products – consider review of Transition to Alternative Housing Grant and Tenancy Costs Cover

Research findings suggest that re-considering the offering of HSPs may be beneficial; in particular consolidating the offering those products which are most helpful. For example, Bond Grant, Letting Fees Assistance and Rent in Advance are the most important to maintain. Repeat use of these products and clustered amounts being granted at their caps may also suggest they do not always meet the actual cost of these services, and further evidence is needed to understand how well the caps on these products reflect actual costs.

In contrast, the Transition to Alternative Housing Grant is not being well used and is more costly than other more common HSPs. Consequently, its value and potential impact should be reconsidered or investigated further.

Similarly, we recommend discontinuing Tenancy Costs Cover for three reasons.

1. It is used less than any other HSP – only granted 71 times.
2. Case managers stated that it is likely to actually *decrease* the chances of recipients obtaining alternative housing, by alerting landlords to the likelihood that recipients will damage the property.
3. Its aim runs counter to the intention of Housing Support Products broadly – recipients who require assurance for future landlords to cover costs beyond a normal bond amount may not be likely to sustain alternative housing.

Similarly, redesigning Statements of Satisfactory Tenancy should be considered (in collaboration with housing providers, who issue the Statements) so that they provide a reference for tenants without igniting landlords’ potential stigma about recipients in public housing.

### Maintain focus on particular client groups and use pre-approval as an incentive

It is particularly important to maintain the unique qualities of HSPs that make them useful for recipients. We recommend maintaining the current income limits for HSPs as they enable recipients who cannot get other forms of support to access HSPs instead.

We also recommend maintaining a focus on the likelihood of sustaining alternative housing as a key criterion for HSP eligibility. With this focus, HSPs could be offered alongside recoverable alternatives (because the risk of overuse is minimised). In addition, a stand-down period could be applied after receiving an HSP package to prevent over-use.

If future policy intent of HSPs is focused on an incentive for recipients to leave public housing (as for the Transition to Alternative Housing Grant), we suggest a pre-approval process whereby recipients who are likely to sustain alternative housing but need help meeting the costs of moving are granted pre-approval for HSPs (eg Bond Grant, Rent in Advance, Letting Fees, and a redesigned Statement of Satisfactory Tenancy). Under current HSP settings, recipients are discouraged from even looking for alternative housing, because any efforts to secure a tenancy offer will be wasted if they cannot pay the up-front costs. By contrast, pre-approval for these costs would enable recipients to search for alternative housing, safe in the knowledge that they will be able to pay for it when they secure a place.

### Simplify administrative processes and refresh information for case managers

Even though the policy intent of HSPs that they should only be used in situations where all other options have been exhausted, case managers also identified opportunities where the process of using HSPs (in intended situations) could be simplified. Specifically, we recommend renewed training and/or information about HSPs be given to case managers to address incorrect perceptions about when they should be used and current availability.

Patterns of increasing HSP use across time suggest that re-training case managers about HSPs would lead to consistent use across various client situations. Removing the influence of administrative barriers would also strengthen the quality of HSP data and thus benefit future evaluations.

Other operational barriers could also be reduced and may represent simple solutions, for example:

* locating all HSPs in the same IT system (this was not done when the policy was introduced due to time constraints)
* increasing the visibility of HSPs on MAP ([MSD’s Guide to Social Development Policy](https://www.workandincome.govt.nz/map/index.html)) by structuring their location intuitively
* simplifying eligibility criteria.

### Addressing wider issues such as lack of affordable housing supply will ensure housing support products are relevant

Focus group participants raised the point that HSPs can only be of use when recipients have somewhere to move to in the first place. Consequently, addressing wider issues such as adequate affordable housing supply is of primary importance for ensuring HSPs are effective. Without suitable properties to move to, recipients are not in a position to use housing support products.

## Generate more robust data about HSPs

### Consider whether counterfactual evidence is helpful and can be gathered; balance its potential value against practical limitations

The data used for this review consisted of information about HSPs, HSP recipients and their outcomes. While this type of statistical evidence is valuable in showing the outcomes associated with HSP use, it is vulnerable to alternative explanations. For example, we saw that HSP recipients are likely to leave (and stay out of) public housing within a month of receiving HSPs. However, we cannot say whether this is because they received HSPs or because of some other factor(s). For example, HSP recipients may have successfully maintained alternative housing even without HSPs because they were already in a stable financial position and ready to move. Similarly, we also cannot tell whether initial moves to alternative housing are maintained and whether they represent qualitatively positive outcomes – just because a client is not in public housing does not necessarily mean they are better off. Options such as systematic follow-up from case managers with HSP recipients might be considered as a way to address these questions.

To attribute the outcomes of HSP recipients to HSPs specifically, it is necessary to generate comparable evidence for the outcomes of recipients who are similar to HSP recipients in as many ways as possible but do not receive HSPs. This evidence then enables comparisons to be drawn between the two groups and any differences in outcomes can be attributed to HSPs. However, such counterfactual evidence can also be problematic for practical reasons (eg it could be very difficult to find or obtain data about a group that obtains and maintains alternative housing without receiving HSPs or a similar support; we also don’t know how many people try to move but can’t and so they remain in public housing). Consequently, the potential value of counterfactual evidence needs to be balanced with operational limitations, and conclusions considered in this context.

### Address limitations of quantitative data with improved administrative processes

A number of factors potentially limit the value of the quantitative data gathered on HSPs, and addressing these will strengthen the value of future reviews. Firstly, not all HSPs are administered in the same IT system: Bond Grant, Letting Fees Assistance and Moving Assistance are administered in CURAM (MSD’s client management system or CMS), whereas Rent in Advance is administered in SWIFTT (Social Welfare Information for Tomorrow Today). This complicates how the HSPs are administered and raises the possibility that other similar products (eg, recoverable forms of Bond Assistance) are used instead to deliver products from the same administrative system. We recommend co-locating all HSPs in the same system so that data about HSPs is a consistent and accurate reflection of their demand and use.

Secondly, HSPs overlap with many other more commonly administered products (eg, the recoverable Bond Assistance mentioned above). The data used for this review did not include these alternatives and so we cannot assess their potential influence. If this comparison is of value to understanding the use of HSPs, we recommend research on this in future reviews.

Third, Letting Fees Assistance is labelled in administrative systems as “Letting Fees Non-beneficiaries”, which implies that it is not appropriate for recipients receiving a main benefit. This labelling could be expected to discourage its use by case managers for recipients receiving a main benefit, even though this product is for both beneficiaries and non-beneficiaries. We recommend re-labelling it more accurately (eg Letting Fees Assistance).

### Consider how quantitative data treatments may impact conclusions

Finally, limitations may have been introduced into the data by the method of grouping HSPs. To understand the actual associations of HSPs with recipient outcomes, it was necessary to group them as ‘occasions’ (which may comprise multiple HSPs administered on different days, but all aimed at the same life event for a given client) rather than in isolation. Consequently, we elected to group HSP ‘occasions’ according to calendar months, whereby an HSP occasion was defined as a month where a client received one or more HSPs. The main effect of this process is that cases where HSPs were delivered over adjacent calendar months will manifest as two separate occasions when in reality they represent the same life event. This is relevant to the conclusions concerning the 179 recipients who appeared to be receiving HSPs on two separate occasions. Two thirds of these recipients received the two occasions in adjacent calendar months, and so the actual number of recipients who received HSPs on two truly separate occasions is likely to be only 60 or fewer.

A second data treatment that limits the conclusions is that data on HSP recipients’ status (eg whether they were in public housing or on the register) was only obtained as snapshots at three points in time: immediately prior to receiving their first HSP, one month afterwards, and at 30 June 2017. Instead, more detailed information (eg date client left public housing) would enable even more informative analyses, such as length of time spent out of public housing after receiving HSPs.

### Consider how selection of research participants may impact conclusions

Qualitative research was conducted with the aim of supplementing the quantitative data with insights about aspects of HSPs which would not otherwise be clear. An advantage of this method is that case managers have unique insights based on their direct experience with clients.

Focus groups with the Top 20 MSD case managers were conducted as a practical option within the timeframe of the project. However, there were no housing case managers included in this group. They are a unique group of work-focused case managers who perform exceptionally well at helping their recipients move off a benefit. Existing work from the Investment Approach team shows that the Top 20 case managers have a holistic and in-depth understanding of their recipients, and an ability to ‘make things work’ by optimising the use of different supports to meet their recipients’ needs. These characteristics could mean that this group differ from other case managers in ways that also impact on their use of HSPs.

## Expand this research approach in future work

### Extend qualitative research in subsequent HSP reviews

We conducted focus groups with the Top 20 work-focused case managers, who are likely to have less frequent experience with HSPs than housing case managers. In future work, we recommend incorporating the views of housing case managers, whose greater knowledge of housing need and supports will likely result in more detailed information.

Understanding work-focused case managers potentially had more limited experience with HSPs, we tested the awareness of HSPs with members of the Investment Approach team, including one of the Top 20 case managers, and found that awareness was likely to be high enough to warrant conducting the research.

Work-focused case managers also offer a valuable perspective on HSPs that takes into account the whole of a client’s situation, whereas housing case managers were less likely to have a holistic view of recipients’ circumstances.

We also recommend future evaluations of HSPs include recipients of HSPs. Only recipients (and potential recipients) can provide insights about the effects of HSPs on their lives. While not gathered during this work due to time constraints, recipient perspectives offer unique value and are of key importance when reviewing all forms of public assistance.

### Consider brief descriptive approaches in future work with similar constraints

This project has also highlighted important points about the approach used for this project that will be valuable in future work for MSD’s Research and Evaluation team. The use of a brief descriptive approach was necessary given the time constraints of the project; however the combination of practical information from case managers and descriptive statistics from administrative data yielded invaluable insights about HSPs. We recommend considering similar approaches for future Research and Evaluation work where in-depth understanding of nuanced topics is required but work is limited by practical constraints.

While there are limitations to this approach, even limited data can still offer significant value to the conclusions drawn. For example, here the quantitative data showed that non-beneficiaries receive over a third of all HSPs, which considered in isolation may suggest HSPs are being used incorrectly. However, considering this alongside the qualitative data shows that HSPs are particularly useful for this very group of recipients because they do not meet criteria for other forms of assistance – which is exactly what HSPs were originally intended to do.

# Appendix: Methodology

## We extracted quantitative data on HSP ‘occasions’ from the Information Analysis Platform

Raw data for use of each HSP product (except Relocation from Auckland Assistance) to 30 June 2017 was extracted from MSD’s Information Analysis Platform. Variables included client demographics, HSP cost, client benefit status, and housing status before and after HSP payment.

Data on Relocation from Auckland Assistance products was gathered from records held by the Housing Service Delivery team.

All data was grouped by HSP ‘occasion’, defined as the co-occurrence of one or more HSP payments to the same client within a calendar month. Data for recipients’ status regarding public housing and register was obtained at three time points: immediately prior to receiving their first HSP, one month afterwards, and at 30 June 2017.

## We conducted focus groups about HSPs with the Top 20 case managers

Supplementing the quantitative data with a qualitative understanding of HSPs was recommended, in order to gain potential insights into the comparative value of HSPs for different client groups and in different situations.

Given the short timeframe of the information requirements, we agreed the best approach was to conduct focus groups with the Top 20 case managers. Case managers are uniquely placed to be able to comment on the administrative requirements of HSPs and how these might influence their use. They are also aware of the wider context around their recipients and thus can provide insights into the impact of HSPs for recipients who used them compared to those who do not. However, we do acknowledge that as with all participants, case managers can have biased perspectives too – for example, being passionate about seeing their recipients do well, general human cognitive biases such as better memory for positive and recent events.

A focus group approach was chosen as it was the most efficient use of limited time in which to gather meaningful and rich data, while also offering the opportunity to explore topics in more depth depending on what participants discussed.

A session with the Top 20 Case Managers was conducted on 8 August 2017 with four Insights MSD Research and Evaluation staff and the Housing Policy project team members. The session consisted of a whole-group introduction to the research and general questions about awareness and use of HSPs. This was followed by four smaller focus groups (3 to 5 case managers each) addressing the questions in Table 3. The session took approximately 45 minutes in total. Audio from each group was digitally recorded and transcribed by MSD’s Research and Evaluation team, and the overall themes of the data were collated and synthesised.

#### Table 3: Focus group questions

|  |  |  |
| --- | --- | --- |
| Topic Focus | Main question | Optional probes |
| Who and what | When do you use HSPs? | Do you actively promote them?Which recipients are HSPs most useful for? (Do you use them for public housing recipients, those moving into rentals, private housing, or from homeless into housing?)Which HSPs do you use the most?Do you use different types of HSPs along with others, or alone? (Which others? When?) Are there particular HSPs that you do not use? Why? |
| Impact | What difference do HSPs make for recipients? | Do these recipients sustain alternative housing?To what degree is client success attributable to HSPs?Which HSPs make the most difference?Are HSPs *necessary* for recipients to sustain alternative housing, and are they *sufficient* for them to sustain alternative housing (or are other supports also needed)?Why are other forms of assistance (not HSPs) not enough? |
| Alternatives | What alternatives to HSPs do you consider? | Why?When would you choose one of these over an HSP?Are there other things that are more helpful for recipients?What are the gaps that HSPs do *not* address? |
| Process | What could be changed about HSPs to make them work better? | How easy are they to use with recipients?What would make them easier to use? |

1. Ministry of Social Development (2017), *2017/18 Social Housing Investment Strategy*. [↑](#footnote-ref-1)
2. Note: Relocation from Auckland Assistance was discontinued in January 2018, after the time of writing. [↑](#footnote-ref-2)
3. Note that recipients who received HSPs during June 2017 were not included in this analysis because information about their status one month later fell outside of the timeframe covered by the research. Consequently, numbers provided reflect a total of 2,668 recipients rather than the overall total of 2,840 mentioned on page 11. [↑](#footnote-ref-3)
4. Paulin, J., Carswell, S., & Lennan, M. (2017) *Towards benefit and social housing independence*. Ministry of Social Development. [↑](#footnote-ref-4)
5. Laing, P. (2017, June 8). *Research and evaluation of social housing initiatives*. Presentation at the Community Housing Aotearoa conference, Wellington, NZ. [↑](#footnote-ref-5)