



A HOME FOR ALL

COST-BENEFIT ANALYSIS OF THE WYATT TRUST HOUSING INITIATIVE

Andrew Beer, Laurence Lester and Sandy Horne
University of South Australia Business School
August 2016

Prepared for The Wyatt Trust

University of South Australia Business School
Level 5
Way Lee Building
North Terrace, Adelaide
Published August 2016

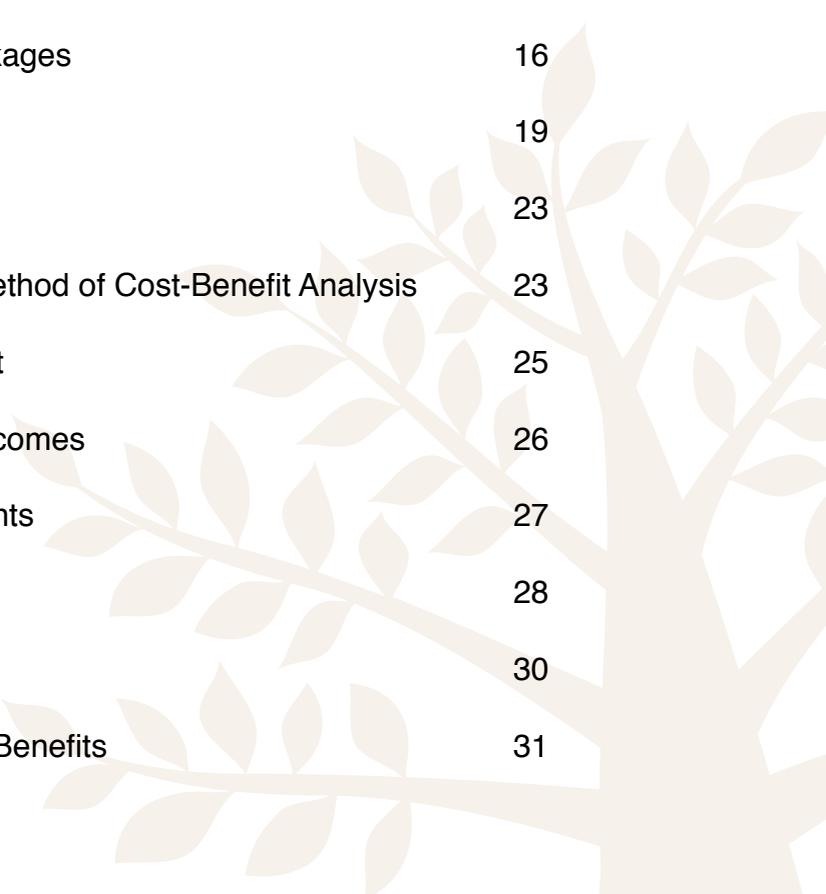
Suggested citation:

Beer, A. Lester, L. and Horne, S. 2016 *A Home for All: Cost-benefit Analysis of The Wyatt Trust Housing Initiative Grants*, The Wyatt Trust, Adelaide.



CONTENTS

Acknowledgements	4
Key Findings	5
Executive Summary	6
Understanding the Outcomes of The Wyatt Trust Housing Assistance	8
The Need for Housing Assistance	8
The Views of Housing Assistance Providers	10
Socio Economic Characteristics	12
Foundation Packages	12
Built Form Rental Subsidy Packages	16
Home Purchase	19
Cost-Benefit Analysis	23
Social Return on Investment Method of Cost-Benefit Analysis	23
Modelling Social Return on Investment	25
Social Return on Investment: The Outcomes	26
The Impact of the Initiative Funds Grants	27
Conclusion	28
References	30
Appendix A: Calculation of Costs and Benefits	31



ACKNOWLEDGEMENTS

This report commenced when the authors were based at the Centre for Housing, Urban and Regional Planning (CHURP) while the second stage of the study and final drafting was undertaken from their new base at the UniSA Business School.

This work would not have been possible without the support of The Wyatt Trust (Wyatt). The authors gratefully acknowledge the assistance of Paul Madden and Kate Fox of Wyatt in the completion of this project.

We also acknowledge the assistance of staff from HomeStart Finance and various non-government organisations who assisted in the collection of data.

Many thanks go to the individuals who received Wyatt Initiative Fund Grants who agreed to be interviewed as part of this study. We extend our thanks to the staff of housing agencies who participated in two roundtables over the course of this investigation.

KEY FINDINGS

- The Initiative Fund Grants funded by Wyatt from 2009 to 2013 had a positive impact on the lives of recipient households, either reducing the risk of homelessness and/or assisting homeless persons into stable and appropriate accommodation.
- Recipients of Initiative Fund Grant assistance reported positive benefits with respect to their capacity to find employment or remain in employment, their ability to escape from violence in the home, their mental and physical health, their risk of suicide and their capacity to stabilise their housing circumstances.
- The cost-benefit analysis undertaken as part of this study found a substantial positive return from the program:
 - ~ On average the benefit to cost ratio of the Initiative Fund Grants was 6 to 1, indicating that the program generates six dollars in social and economic benefits for every one dollar of cost.
 - ~ There was considerable variation across individuals, with the assistance provided to some individuals valued at 59 to 1 and 29 to 1. For others, however, the benefit to cost ratio was close to 1 to 1, but still represented an important positive influence in the lives of vulnerable households.
- Agencies noted that Initiative Fund Grants raised their productivity as workers as they could more quickly provide assistance to households in crisis, allowing them to better address the other challenges confronting that household or the needs of other persons seeking assistance.
- Many of those assisted by the Initiative Fund Grants reported periods of homelessness and unstable accommodation prior to receiving assistance from Wyatt. Many had significant health challenges.
- While not assessed through the cost-benefit analysis, a range of personal, social and economic benefits were delivered through the Initiative Fund Grants that cannot be assigned a monetary value. The importance of these benefits should not be overlooked.
- In-depth interviews with the recipients of assistance from Wyatt revealed that the assistance provided has an enormous impact on the lives of some of the most disadvantaged South Australians.

EXECUTIVE SUMMARY

The Wyatt Trust (Wyatt) is a philanthropic foundation providing financial assistance to South Australians in 'poor or reduced circumstances' so they can lead satisfying and productive lives and participate more actively in the community.

Safe, secure and affordable housing is a key determinant of health, wellbeing and social participation. Acknowledging this, Wyatt aims, through a number of programs, to help individual South Australians meet the cost of their housing. Wyatt has a goal of assisting 1,000 South Australians between 2011 and 2016 to access and maintain appropriate and affordable longer term accommodation. In fact, during this period, Wyatt exceeded this goal with over 2,200 households assisted with a housing need.

Wyatt has long been known for its innovative general housing grants and it commits up to \$750,000 per year under its general and small grants budget for:

- One-off Rental Arrears Payments: Working in partnership with a small number of organisations that help families at risk of eviction in the private rental market, Wyatt funds are provided as either a one-off grant to deal with rental arrears or as smaller amounts over a longer period to help a family through crisis;
- Home Establishment Packages: In combination with accommodation providers Wyatt assists individuals and families who have been homeless with between \$1,000 and \$2,500 of assistance to purchase household essentials;
- Removal Assistance Scheme: Partnering with a not-for-profit organisation to assist those on low incomes with removal costs; and,
- One-off small grants: Available through Wyatt's Small Grants Program for whitegoods, essential furniture, rent arrears and removals costs which provide timely financial support to address a housing need.

In 2008 Wyatt launched its Initiative Fund Grants with total funding of \$5.2m for:

- Home Purchase: Partnering with the SA Government agency, HomeStart, the Wyatt Loan has contributed an average of \$11,000 towards home purchase costs for individuals and families on very low incomes. This assistance is provided in the form of an interest-free five year loan and the funds repaid are used to provide another interest-free loan to another eligible household;
- Built Form Rental Subsidy: In partnership with not-for-profit organisations, Wyatt provided grants of \$20,000 to \$30,000 to low income households, with funds expended as a rental subsidy for a newly built house or unit over a seven year period; and,
- Home Establishment/Foundation Packages: In partnership with not-for-profit organisations, Wyatt provided a grant of \$1,000 to \$2,500 to assist individuals and families who had been homeless to purchase essential items for their new homes.

The outcomes associated with the Initiative Fund Grants are the focus of this report, which provides insights into the views of welfare and housing assistance agencies on the Initiative Fund Grants, a cost-benefit analysis of the impacts of these grants on an annual basis, using data collected in calendar 2015, and in-depth case studies examining the impact this program had on the lives of six South Australians.

In order to undertake this evaluation the research team:

- Developed a profile of the persons/households in receipt of Wyatt housing assistance;
- Interviewed recipients of Wyatt assistance with a focus on capturing the social, economic, employment and health outcomes stemming from this support;
- Undertook service partner roundtables;
- Developed a cost-benefit analysis estimating the impacts of Wyatt funding on individuals and families; and,
- Completed a small number of interviews with the recipients of Initiative Fund Grants across the three forms of assistance.

These results were then integrated into this final report.

The results are briefly summarised as follows:

In broad terms, the Housing Initiative Funding introduced by Wyatt generated an overall benefit to cost ratio of 6:1. Another way of expressing this, is that the Initiative Funding of \$5.2m generated \$31.2 million of benefit for the South Australian economy and community, and this benefit was directly targeted at some of the most disadvantaged within the South Australian community.

This ratio varied significantly across individuals, ranging from 1:1 to 59:1, and reflected both variations in outlays and the highly differentiated impact on the lives of individuals. One person, for example, reported that Wyatt assistance enabled them to leave long term boarding house accommodation – effectively homelessness – and without this change they would have committed suicide. Such substantial impacts on the life course – and society – clearly generate greater benefits than in other instances.

On average, the most favourable benefit to cost ratios were associated with Home Purchase assistance – averaging 24:1, while the Foundation Packages averaged 3:1 and the Rental Accommodation Program averaged 6.3:1. Importantly, all programs reported positive ratios, leading to significant improvements in the lives of recipients.

In-depth interviews with a small number of housing assistance recipients underlined the scale and importance of this help on the lives of the most disadvantaged South Australians. The various forms of housing assistance made available by Wyatt has helped rebuild shattered lives, and it has enabled many individuals to find hope, while also providing shelter for the vulnerable.

UNDERSTANDING THE OUTCOMES OF THE WYATT TRUST HOUSING ASSISTANCE

THE NEED FOR HOUSING ASSISTANCE

Homelessness and poverty are major challenges in South Australia with the state over-represented relative to other Australian states in the lowest income groups, it also has a high percentage of its population dependent upon statutory incomes (Shanahan 2013). Despite relatively low incomes, South Australia is also confronted by a crisis of housing affordability, a problem that has been evident since the year 2000 (Beer et al 2007). Historically low interest rates over the past several years have contributed to house price inflation, as has the structure of taxation arrangements and the influx of foreign capital into Australian property markets. To a degree, South Australia has been unaffected by these trends but house prices have continued to increase with the median house price in Adelaide in June 2015 standing at \$428,265, up from \$288,000 in 2006 (Government of South Australia 2015). Escalation in house prices has contributed to rent increases, with the median rent in Adelaide in June 2015 sitting at \$410 per week (realestate.com.au 2015).

Many low income South Australians are trapped by a combination of circumstances that make housing unaffordable:

- The highest levels of housing stress are found in the private rental sector where households often spend more than 30 per cent of income on their rent, and occasionally more than 50 per cent;
- Tenants are further disadvantaged by the insecurity associated with private rental housing, with many forced to move involuntarily. Forced moves represent a shift in living arrangements that carries substantial relocation costs;
- Some households fall out of home ownership, often as a result of a relationship breakdown;
- In some instances violence in the home may force a woman – and children – to leave the family home at short notice;
- New arrivals into Australia may be especially vulnerable in the housing market, particularly if their visa arrangements do not permit them to find paid employment;
- Persons with psychiatric disabilities often struggle to maintain their tenancy;
- Access to public rental or social housing has become more difficult over the past 15 years as support providers have been forced to allocate limited resources to those most in need;
- Immigrants, Aboriginal South Australians and young people are likely to encounter discrimination in the private rental market; and,
- Persons leaving institutions – including the Guardianship of the Minister or incarceration - find securing accommodation especially difficult.

The level of acute need within the South Australian community is perhaps best summarised by the data on homelessness. The ABS estimated that at the 2011 Census there were 5,985 homeless persons in South Australia, an increase of just over 6 per cent from the 2006 Census (ABS 2011). This translates to 38 homeless persons per 10,000 population, one of the lowest levels in Australia, but unacceptably high. Homeless persons were found living in improvised dwellings, staying in supported accommodation for the homeless, living temporarily with other households,

resident in boarding houses, living in severely crowded accommodation or staying in temporary lodging.

Data from the South Australian Government's Department for Communities and Social Inclusion (2014) suggests that over the year 2013-14 homelessness services provided just under 31,000 periods of support to 24,000 individual clients, 17 per cent of whom were aged under nine. Just over one quarter of the total were Aboriginal or Torres Strait Islanders, with 38 per cent of cases involving family violence. Over that period service providers received 44,000 requests for assistance with housing, and of this total 55 per cent were for assistance to sustain a tenancy or prevent tenancy failure, approximately 25 per cent were for short term or emergency accommodation and ten per cent were for long term housing. In most instances agencies reported they were able to meet housing needs, but fully one quarter of requests for long term housing assistance could not be met. Clearly there is a need for housing assistance for vulnerable people that includes the provision of accommodation in the longer term. There is also a clear need for support that helps people remain in their current tenancy and deal with emergencies.

The research that has informed the development of this paper took a three-tiered approach to understanding the impact of the Wyatt housing assistance programs on disadvantaged South Australians. First, the research team spoke with housing and welfare providers about their perceptions of the impact of the Wyatt housing assistance on the lives of recipients. These data were collected through two roundtables and focussed on the participant's understanding of the magnitudes of any impact, the ways in which assistance helps individuals and organisations and the demand for further support. The second part of the study was comprised of a cost benefit analysis of Wyatt housing assistance, and included the collection of data from recipients sufficient to undertake the analysis. Data were collected for the three tranches of housing assistance made available after 2008: the Foundation Package; the Built Form Rental Subsidy; and, Home Purchase Assistance.

The key features of these programs can be summarised as:

- Home Purchase: Partnering with the SA Government agency, HomeStart, the Wyatt Loan has contributed an average of \$11,000 towards home purchase costs for individuals and families on very low incomes. This assistance is provided in the form of an interest-free five year loan and the funds repaid are used to provide another interest-free loan to another eligible household;
- Built Form Rental Subsidy: In partnership with not-for-profit organisations, Wyatt provided grants of \$20,000 to \$30,000 to low income households, with funds expended as a rental subsidy for a newly built house or unit over a 7 year period; and,
- Home Establishment/Foundation Packages: In partnership with not-for-profit organisations, Wyatt provided grants of \$1,000 to \$2,500 to assist individuals and families who had been homeless to purchase essential items for their new homes.

Third, and finally, the research undertook in-depth interviews with a small number of individuals who had received assistance from Wyatt as part of the Initiative Funding. These interviews aimed to capture the depth and breadth of experience amongst program participants, and along the way highlighted the acute need for such assistance, the considerable impact the program had on the

lives of individuals and the role housing plays in stabilising lives at risk. The outcomes of these in-depth interviews are presented in a sequence of boxes in the body of the report.

THE VIEWS OF THE PROVIDERS OF HOUSING AND WELFARE ASSISTANCE

Two roundtables were undertaken with non-government organisations working with the homeless and persons in difficult circumstances. These discussions highlighted the importance of the assistance provided by Wyatt on an on-going basis, and the real difference the Initiative Fund Grants made to the lives of individuals.

Importantly, the Wyatt Initiative Grant funding was acknowledged as having a wide-ranging impact on the provision of services to the homeless and those at risk of homelessness. Participants in the roundtables saw Wyatt funding as an important ‘piece in the puzzle’ when assisting vulnerable individuals and families. Wyatt assistance was considered especially valuable for two reasons: first, many forms of assistance – such as Foundation Packages - were readily available, which meant that staff could meet client needs for whitegoods or furniture quickly, allowing them to move on to meet the other needs of clients, or the needs of others facing difficulties. As one participant noted, securing affordable whitegoods can be ‘incredibly difficult, it would be time consuming without Wyatt’. In this sense, the Wyatt assistance boosted the productivity of the homelessness sector overall and as another participant noted ‘it allows our workers to spend a good amount of time with clients. It allows us to focus on relationship and rapport building’.

The benefits provided to vulnerable individuals through the Foundation Package should not be underestimated. One roundtable participant commented that the provision of whitegoods and furniture to women fleeing violence in the home was critical in helping them avoid returning to their abusive partner. Others noted that the capacity to supply decent furniture helped women and children fleeing violence feel valued and ‘gave them a sense of worthiness’. In one instance, a beneficiary said ‘I never had anything before that is mine. This is the first time’.

Importantly, Foundation Packages helped vulnerable households avoid predatory lenders who would otherwise be the sole avenue for access to much-needed whitegoods or furniture. There is therefore a double benefit in terms of both a capital grant and reduced outlays on interest repayments into the future.

Second, the Built Form Rental Subsidy program was highly regarded by participants at the roundtable provision because of its capacity to offer long term housing solutions for homeless people and those at risk of homelessness. Various homelessness services in South Australia provide transitional housing for those most in need, but the demand for this accommodation exceeds supply, principally because there is a profound shortage of affordable housing for individuals and households to move to. In the language of the homelessness sector, there is a ‘lack of exit points’ and roundtable participants noted that the absence of emergency accommodation means that some people sleep in cars or in other precarious environments. Some groups find it particularly difficult to secure housing, this includes:

- Young people;
- Aboriginal South Australians;

- Women over 25 who are pregnant;
- Persons from Culturally and Linguistically Diverse Backgrounds (CALD), and some of these people lack an income because of their visa status;
- Persons with a psychiatric disability.

The Built Form Rental Subsidy program has overcome this problem for those individuals fortunate enough to receive assistance. One non-government sector representative observed that their agency had received the Built Form Rental Subsidy program assistance to build 12 units. The Housing Initiative funding allowed them to develop a package of assistance that leveraged state government funding and resulted in a sustained resource for meeting the housing needs of vulnerable families and individuals. In broader terms, the Home Purchase program would have had similar impacts, although non-government organisations would be unlikely to have had contact with these individuals.

Many of the round table participants reported that Wyatt funding served to ‘unlock’ other forms of financial assistance. It was seen as pivotal in helping secure philanthropy from a number of businesses and could be used in combination with assistance from other sources.

Importantly, the benefits attached to the Housing Initiative were not simply limited to accommodation. One participant at the roundtable felt that the program had multiple positive impacts,

Actually setting them up for a new phase in their lives. I love it. I love seeing the looks on their faces.

While another non-government participant commented,

When they sign their lease, a fair proportion will comment about Wyatt. Amazed that someone cares. An added element.

A third person at one of the roundtables noted that Wyatt assistance helped some people avoid homelessness and generated a sense of optimism. Significantly, often the difference between being homeless and being appropriately housed was a grant as small as \$500.

A participant from a youth-focussed agency observed that they sought to set up young people for an employment pathway and that Housing Initiative Grant funding was critical for that objective because:

School is not achievable if they don't have a place to stay.

It is important to acknowledge that many of those helped are amongst the most vulnerable in our society. One roundtable participant recounted the assistance provided to a 40 year old man in hospital, without the assistance provided through the Initiative Fund Grant he would have ended up in a nursing home. Other participants in the roundtable reported that young parents assisted into

appropriate accommodation were pleased to discover that they now had the space and the facilities to keep their children clean, which in turn ‘takes away some child protection issues’.

Finally, the participants at the roundtable felt there were still some gaps to be filled. First and foremost, they wished to see the Housing Initiative Grants re-established because of the growing demand for assistance with housing. Second, they felt more could be done to work with people from Culturally and Linguistically Diverse (CALD) backgrounds, and that future programs designed to assist with the purchase of goods could be broadened to embrace technology – including computers. Others would like to see future initiatives extended to cover rent arrears and/or debts outstanding for the damage of property. Third, the roundtable participants saw that there was an opportunity to link housing support with financial counselling – a service Wyatt already sponsors (Mahmoudi et al 2014). It was felt the combination of the two forms of assistance would generate both short and long term benefits.

SOCIO ECONOMIC CHARACTERISTICS

FOUNDATION PACKAGES

Some 500 Foundation Package grants were allocated between 2009 and 2013, with a median value of \$1,460 per grant. A number of recipients received other types of Wyatt grants either before or after receipt of their Foundation Package (or both), but the numbers affected were relatively small.

Some 40 per cent of the primary applicants for Foundation Packages were men, and 60 per cent women. Most recipients were long term residents of South Australia, with their period of residency ranging from four to 74 years, and averaging 28 years. Only 20 per cent of households reported one or more children in the home, and two thirds of households with children present had only one or two children living in that residence.

Approximately 150 Foundation Package recipients had previously received assistance from Wyatt, with 107 receiving prior assistance once, 27 receiving it on two or more occasions and the remainder receiving assistance three or more times. Some 39 Foundation Package recipients were awarded post Foundation Package assistance, with only seven persons receiving two forms of additional assistance.

Foundation Package recipients were heavily reliant upon Disability Support Pensions, followed by Parenting Payment for Singles (Figure 1). Persons in receipt of Newstart payments were the third largest group accounting for 15 per cent of the total.

Boxes 1 and 2 give a detailed insight into the importance of the relatively modest assistance provided under the Foundation Package. Clearly, in both instances, assistance with the cost of major appliances has exerted a long term influence on the outlook and living conditions of individuals confronted by poverty. In both instances the individuals are extremely vulnerable and would have few alternative sources of support available to them.

Sam is a 43 year old man who lives in Port Lincoln, renting a room in a 100 year old house for \$250 per week. Sam previously lived in accommodation provided by the Offender Rehabilitation Advisory Service (OARS) which he moved into after release from prison. He did not enjoy living in the OARS facility and was willing to move into any form of private accommodation 'as long as it isn't a dump'.

Sam currently receives the Newstart payment from the Australian Government but prior to incarceration was on a Disability Pension. He received the Disability Pension because of a motorcycle accident in his youth but it was terminated during his three years of incarceration. His current payment is modest – just \$590 a fortnight – so rent takes a substantial portion of his total income. He also has a lot of debt, including Housing SA debt and debts arising from Centrelink over-payments.

Sam's life has been made more tolerable through Wyatt funding the purchase of appliances, specifically a refrigerator and a television. The television was acquired through a loan, and Sam is eligible to again apply for a loan having paid off his first. He notes that he wouldn't have either appliance if it wasn't for Wyatt and its generosity. As he says,

I am very grateful for the help, and thankful they helped me out...It helped me out heaps.

Housing has been a considerable challenge for Sam. He has spent a great deal of time in boarding houses throughout his adult life, and an extended period living with his mother. He has struggled to find private rental housing, partly because of the tight rental market in Port Lincoln, but also because of his history of drug use. He has struggled to obtain the references needed to secure a lease, a problem made worse by successive periods of incarceration.

To make matters worse, Sam's inability to enter the private rental market has kept him locked into Port Lincoln. At the time of the interview he was working with real estate agents in Adelaide, but the absence of references – except for those from OARS and prison – was a significant limitation.

Living in boarding houses has been difficult: on occasion all his belongings have been lost in one boarding house or another, and on leaving prison he had just a track suit and a pair of sneakers. On his most recent release he managed to survive financially because he saved while in prison.

He hopes to return to the Disability Support Pension as soon as possible as it provides an income twice that of Newstart, but the tightening of eligibility criteria may make that difficult. The money Sam receives does not go far, and he is mindful of the fact that he

would have to return to the OARS accommodation he came from if he lost his current home. His dreams for future housing are limited to entering Category 1 on the Housing SA waiting list, and thereby gaining entry into social housing. He hopes that recategorisation will see him move to a one bedroom unit but he realises such outcomes are rare.

For Sam, the assistance received from Wyatt has been transformational in that it has helped him see a pathway to a new life. As he said,

I prefer to get the help and get my life back on track.

As a 43 year old man who has spent most of his time in gaol he only sees another 20 years of life before him. This is the time he wants to establish a new way of living, a new set of habits and a new set of goals.

BOX 2. FOUNDATION PACKAGE RECIPIENT KYAM: OVERCOMING POVERTY AND MENTAL HEALTH

Kyam is a 22 year old man with mental health issues who lives in Adelaide's western suburbs. He rents from a social housing provider who received one of the National Rental Affordability Scheme (NRAS) packages introduced by the Rudd Government. It's a small unit, with just two bedrooms, but it is new, well organised and conveniently located. Kyam doesn't work, and relies on a Disability Support Pension to sustain himself. While he aspires to take up an apprenticeship and acquire some marketable skills, he appreciates that will be difficult with his current condition.

This housing represents a big step up for Kyam, prior to living here he lived with his former girlfriend at her house, but that relationship broke up – partly because of his mental health condition. Before that, he lived in a homeless shelter for six to seven months at Noarlunga Downs. That accommodation was of poor quality, noisy, cramped and too full of difficulties for Kyam's wellbeing. For Kyam,

This house is pretty important to me. I have spent most of my life in mental health institutions and homelessness shelters.

Kyam has been helped by Wyatt through their programs to support the purchase of household essentials. When he moved in there was no bed or major appliances, and Wyatt Trust funding provided him with a washing machine and a refrigerator. Kyam's mental health worker helped him apply for Wyatt funding, without which he wouldn't be able to wash his clothes and he would have been forced to live off canned food.

Without Wyatt assistance,

Life would have been a bit harder ... I would have found it tougher to buy fridge stuff ... ham and cold drinks It has kind of been a big help, a really big help ... it would have taken me two to three months so save that amount. The main thing is that I need to have the fridge and washer to use.

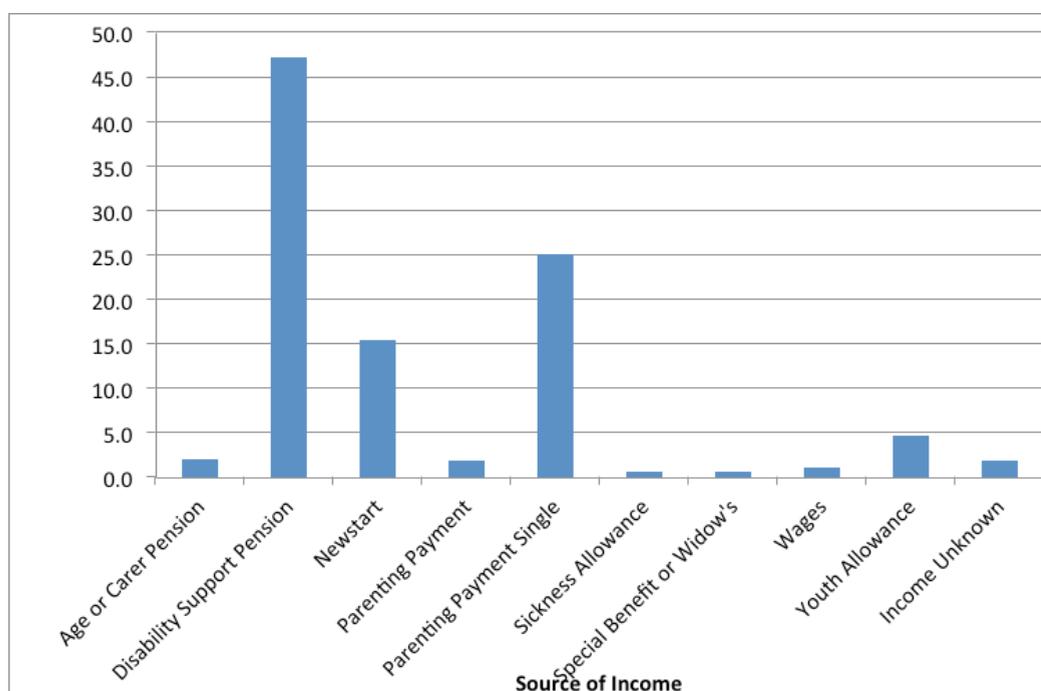
Kyam sees that this house, and all it entails, has had a positive impact on his life, as without this accommodation 'I would have been stressing out ... I could have been sent back to the mental health ward.' He would be happy to stay 10 years or longer in this accommodation if he was able.

Encouragingly, Kyam has a positive perspective on his future, which he sees as bright and full of promise. He recognises that there is considerable potential for him to reshape his life,

... the problem is, I want to take the first step but I know it's the hardest. I am just finding it hard to take that first step. I got to [sic] get through it to have that bright future.

Kyam recognises that in some ways he has already taken that 'first step': maintaining a home and living independently, while also shaping his life in the ways that he desires. Wyatt and its enabling funding has been an important part of that journey.

FIGURE 1. SOURCE OF INCOME: FIRST NAMED APPLICANT, FOUNDATION PACKAGES, 2009-13



SOURCE: WYATT 2015

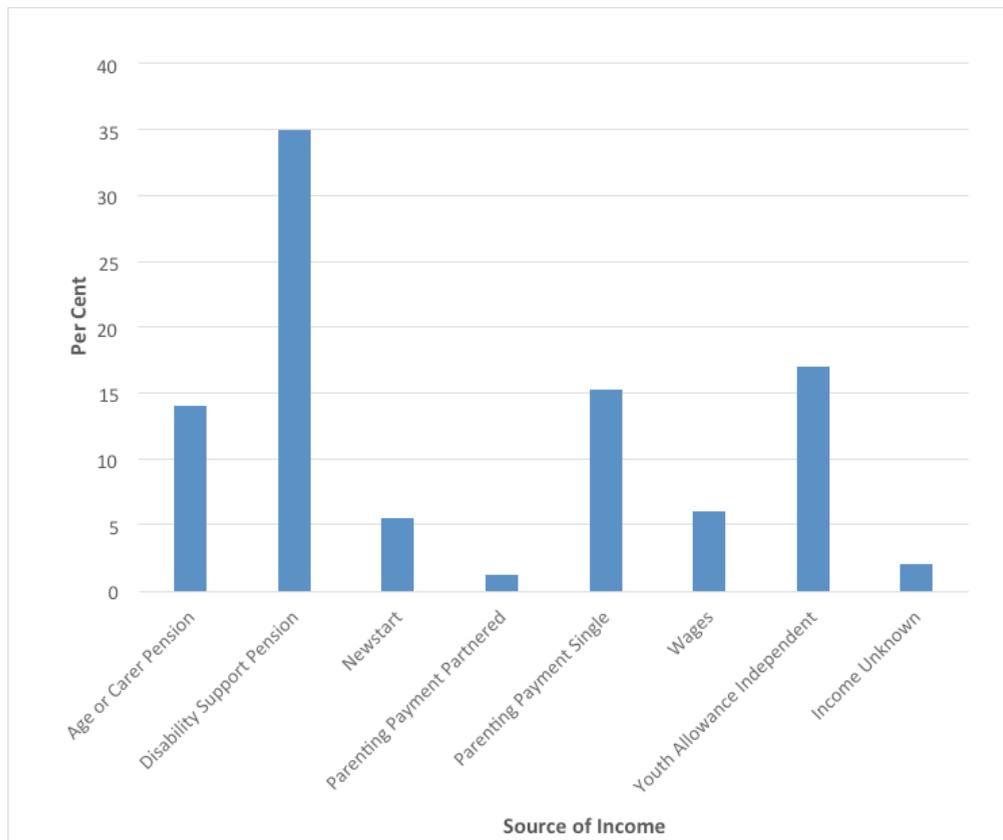
BUILT FORM RENTAL SUBSIDY PACKAGES

A total of 143 Built Form Rental Subsidy Packages (BFRSP) were granted, with 81 directed to households where women were the primary applicant, and 62 to men. When compared with the Foundation Packages, the recipients of BFRSP assistance were much more likely to be in receipt of an Age or Carer Pension, and six per cent of the total received wages (Figure 2). Some 17 per cent of BFRSP recipients received Youth Allowance, a reflection of the considerable housing difficulties confronting younger South Australians.

Fully 97 of the 143 BFRSP recipients had used one form of Wyatt assistance once previously, and 27 per cent had used it on two occasions, with five using it on three or more instances. In the majority of cases the recipients would have used a small grant to meet a crisis or other pressing need. Just 30 per cent of recipients of BFRSP had left their accommodation by 2015, a very low turnover rate for the rental sector. Data on the subsequent destination of these tenants is patchy, but eight per cent of the total (14 individuals) moved to private rental accommodation, while 2.4 per cent relocated to accommodation with family (four persons) and a further 2.4 per cent moved to share housing (four persons).

While there was a significant record of prior use of Wyatt assistance amongst this group, relatively few – just under one third of the total – made subsequent use of Wyatt grants and other forms of help after entering their Wyatt subsidised housing.

FIGURE 2: SOURCE OF INCOME: FIRST NAMED APPLICANT, BUILT FORM RENTAL SUBSIDY PACKAGES, 2009-13



SOURCE: WYATT 2015

Boxes 3 and 4 (below) provide two examples of the ways in which the Rental Subsidy Program assisted those in the lower end of the private rental market achieve a degree of security with their housing. Both beneficiaries are likely to have remained trapped in the very low end of the private rental market if they had not had access to this program, with adverse consequences for their health.

BOX 3. BUILT FORM RENTAL SUBSIDY PACKAGE RECIPIENT JACK: SECURITY LATE IN LIFE

Jack is a 71 year old man living by himself in a modern, tidy town house in north western Adelaide that he rents from a social housing provider. He has spent most of his adult life in that part of Adelaide, living in the Port Adelaide area. Most of his working life he was employed in skilled occupations, including work as a butcher, and in the car repair industry. Unfortunately for Jack, he separated from his wife in 2002 after his children had grown up and left home. In common with many people who leave long-term relationships, Jack ended up in the private rental market, and as Jack noted,

When my marriage broke up, that busted everything.

His former wife ended up with the family home and while he ended up with some assets, they did not last long once exposed to the challenges of the private rental market. In 2012 he saw an advert in the local paper for new rental opportunities with a social housing provider. He subsequently applied, was accepted and, as he says, he has been here ever since and,

I seem to live a very quiet life by myself.

His daughter visits him regularly, he is active in some social groups and visits to health care facilities, including the local hospital, take a considerable portion of his time.

Jack wasn't aware that the home he now lives in and enjoys has been supported by Wyatt, but he does know that he would be in a much more precarious position if he hadn't found this housing. When asked what would have happened if he was not living here, he responded,

I have no idea ... I would probably be in private rental ... I wouldn't be able to afford it, I would probably be living in my car.

For Jack this home represents security, stability and the chance to rebuild his life, even while struggling with a chronic health condition. It gives him both a sense of purpose in life and an opportunity to take control of events, two fundamental factors in anyone's sense of wellbeing.

Bruce is in his late fifties and lives in an apartment in Adelaide's middle suburbs. It's a property that received a rent subsidy from Wyatt and is rented out by one of South Australia's large social housing providers. He has lived here since Remembrance Day 2011, and was one of the first to move into the block.

For Bruce, this accommodation represents a significant step up in his living arrangements. He has never been a home owner and prior to moving here moved through a series of largely unsatisfactory share houses. Prior to moving here he lived in Fullarton, and before that he was in Glenelg East and prior to that a succession of other properties that were more or less suitable. Bruce sees his current accommodation as a significant step up on his previous living arrangements: the rent in his current property is approximately the same as his previous home, but that housing was shared with four other people. Getting accepted into this housing was a hallmark day in Bruce's life,

when they said I would get community housing I was just shaking inside.

And in large measure this reflects his honest assessment of what his alternative housing would be if the Wyatt Trust had not supported this accommodation. He would, in his own words,

be living in some sort of crappy place.

For most of his working life Bruce was employed as a chef, but has had to give up work following a diagnosis of an auto immune disease. Recently he had a fall and this affected his physical health significantly and he recognises that,

In future I will require some sort of home help.

But he is coping at the moment and feels able to get by, though he does rely on Meals on Wheels – an irony for a professional chef – and the help of friends. Bruce sees his current accommodation as a solution to many of the challenges in his life, as,

... without this place I would be lost ... very safe here. I have gotten more anxious as I have gotten weaker. This place is terrific.

Bruce is happy with the area he lives in, with his access to services – including health services – and with his neighbours. The accommodation made available through Wyatt's investment in housing is the only form of housing assistance that he has received and he is incredibly grateful for that help. As Bruce says:

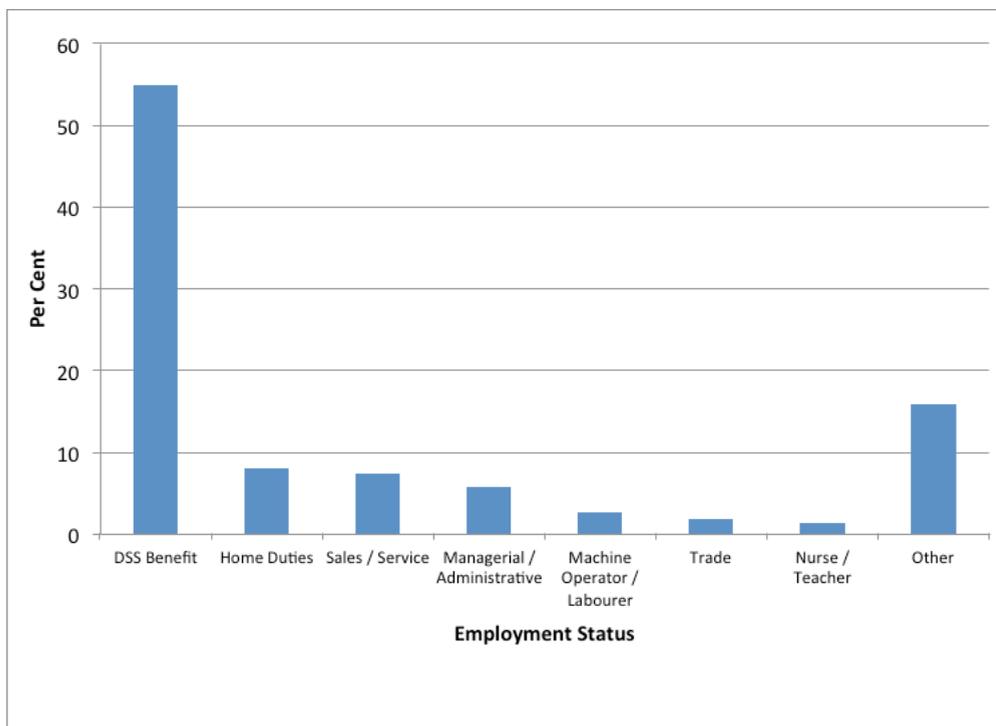
I consider myself incredibly lucky to be here ... when I consider where I could have ended up, who knows just get lost in the system.

HOME PURCHASE

Home purchase assistance was provided to 226 households and as at 1 May 2015 some 25 loans had been fully repaid while 201 loans continued to operate within the five year, interest-free, loan period. Recipients ranged in age from 22 to 80 years. The average age of the first named applicant was 40.7 years, and 42.1 years for the second named applicant. There were 99 first home buyers amongst the Wyatt loan recipients, 43 per cent of the total. Home purchase assistance recipients were predominantly Australian born, making up 76 per cent of the total, followed by 13 per cent from culturally similar nations, such as New Zealand, the United Kingdom, Ireland and the USA.

Four recipients of the Wyatt Home Purchase assistance were Aboriginal Australians, two of whom were first home buyers.

FIGURE 3: EMPLOYMENT STATUS: HOME PURCHASE RECIPIENTS



SOURCE: HOMESTART 2015

HomeStart Finance, as a home purchase agency, is distinguished by its capacity to assist persons in receipt of a statutory income into home purchase (Beer et al 2011) and as Figure 3 shows, more than half the recipients of Wyatt Home Purchase assistance relied upon a Department of Social Services (DSS) payment for their income, while a further eight per cent were engaged in home duties. Men were slightly more likely to be DSS recipients than women (60 per cent as opposed to 50 per cent), and men were also more likely to be employed in machine operator and labouring occupations. As might be expected, more women reported their occupation as home duties (nine per cent) when compared with men (three per cent).

The average household income for all recipients of Wyatt Home Purchase assistance was a modest \$32,828, and those households where the primary customer was male, earned on average approximately 10 per cent more than female-headed households. First home buyers had higher average incomes than those who had purchased a dwelling previously, and income also varied with household type.

Persons assisted into home ownership valued the assistance they received from HomeStart and Wyatt and this has been reflected in a low turnover of loans over the period to 2015. Of the 226 loans made over the period since 2008, fully 201 (89 per cent) were current by August 2015, with the remainder terminating for a range of reasons including, paying off the mortgage in full (three households, sale of the dwelling (11 households), refinancing the mortgage (10 households), and 'other' reasons (one household). These data suggest that a) mortgage default is not an issue of concern for this policy measure and b) as should be expected, the cycling of Wyatt loan funds is likely to be a long term proposition. Few loans have come to an end, meaning that relatively little capital has been released out of the first round of mortgages to be recycled into new loans. Importantly, just one mortgage default was evident in the data and this outcome is consistent with the broad Australian experience of secure mortgages (Yates and Berry 2011).

Most home purchasing households had children, single persons with a child were the largest single group accounting for 67 per cent of all HomeStart package recipients. A further 12 per cent of households were couples with children, while couples without children constituted just four per cent of the total. Single persons without children represented 15.5 per cent of households in receipt of Wyatt assistance in gaining access to a HomeStart loan.

Fully 78 per cent of female-headed households in receipt of Home Purchase assistance from Wyatt were sole parents, compared with only 20 per cent of male-headed households. Males tended to be the first named applicant of households comprised of couples with children, and only 20 per cent of male applicants were sole parents with children.

The pattern of home purchase assistance exhibited a high degree of spatial concentration: the northern local government areas of Adelaide – Playford, Salisbury, Port Adelaide Enfield and Tea Tree Gully – accounted for 37 per cent of all home purchase assistance given, and 41 per cent of loans to first home buyers. The South East of South Australia was the next most significant region at 11 per cent of all loans, followed by southern metropolitan Adelaide at 10 per cent and the Adelaide Hills, Fleurieu and Kangaroo Island at eight per cent. Wyatt Home Purchase assistance had very little take up in the central parts of Adelaide's metropolitan area.

Boxes 5 and 6 shed light on the housing careers (Beer and Faulkner 2011) of home purchase assistance recipients. Both case studies are typical of the households who have accessed home purchase assistance through HomeStart – female-headed sole parent households who had been home purchasers previously and both believed Wyatt housing assistance had allowed them to reshape their lives.

Ruth lives in northern Adelaide and is buying her home through the combination of a standard HomeStart mortgage and the interest-free loan made available through Wyatt. Ruth worked in the hospitality sector for more than 30 years, but has had to cease work as a waitress because her arthritis has worsened and she finds working in hotels and restaurants is now too demanding physically for her condition. She now relies on unemployment benefits to support herself and is looking to finish her degree in fine arts.

Ruth has had a mixed housing career. In the early 1990s she and her former husband built a large house on Adelaide's fringe, but they lost it when their lender – HomeStart – foreclosed because they could no longer service the debt. Since then she has moved through the private rental market, moving 12 times in 20 years, including eight years in a property at West Beach. She also lived in North Adelaide, Nailsworth, Glenelg and Reynella. Despite losing her first house after HomeStart foreclosed, Ruth returned to HomeStart for a loan after doing four years of research on the mortgage options available to her. She realised that with a deposit of just \$3,500 the only way she could enter the housing market would be to use the Wyatt interest-free loan alongside a HomeStart product. Any other way of trying to purchase a home would have required an additional \$10,000 deposit, which may have taken a decade to accumulate. And, 'at least this gives me a bit of security'. And Ruth has been very happy with her purchase: she feels that she was driven out of the rental market because it was just too unaffordable and the properties she rented were constantly being sold from under her. As she says,

the insecurity has been incredible over the last 20 years ... when you are struggling finances get on top of you ... it is quite hard when you are an older person'.

For Ruth,

Housing is very important ... I have always had a thing about having security in life ... its roots ... it gives me something to leave my children.

In common with many people in difficult circumstances, Ruth has had a great deal of trauma in her life. Her marriage failed early on, and she was left to raise her children by herself. But even when her husband was home he provided little help or financial support as he rarely worked. In addition, her adult son received a significant injury through a criminal assault that took four years of recuperation. Even now, he often needs to stay with Ruth as he rebuilds his life and his health. It is little wonder, therefore, that Ruth has battled depression over the past 12 months. Despite these challenges Ruth is upbeat about her future. She sees herself spending more time involved in the arts – her passion – and engaging with education again. She also sees herself working to help others. The prospect of deteriorating health is the dark cloud on Ruth's horizon, but as she observes,

At worst if my health goes down I have my security here.

Sarah is a single mother of three small girls and lives on Adelaide's northern fringe. She is currently buying her home courtesy of the assistance provided by Wyatt's interest-free loan, operating alongside a HomeStart loan.

Sarah and her husband were previously buying a home in Salisbury, but when he left she had to sell up – unfortunately making a loss on the transaction. She then discovered she was pregnant by her former husband and was moving between rental properties while her divorce was being finalised.

Home purchase assistance from Wyatt has allowed Sarah to re-enter the home purchase market and, as she explains, 'let me buy a full size house in a better location' and 'I sometimes think how squashed we would be in a smaller house ... it's been helpful, stability for the girls'.

Wyatt assistance has had a very large impact on Sarah's life: in 2015 she graduated as a nurse and now works at Lyell McEwin Hospital. It hasn't been easy for Sarah studying full time, raising three daughters and paying off a mortgage, but she appreciates that the benefits have been substantial. The task was also made a little easier as HomeStart allowed her to revert to an interest-only loan for a period, an arrangement that cut her outlays while allowing her to remain a home purchaser.

Sarah looks forward to a future that is more financially secure, because as she explains, she is 'still recovering from studying full time'. The assistance from Wyatt, and the housing options it has enabled, has been important in her life, as,

... owning my own home is important to me ... losing my home was very upsetting ... I want to be able to leave something for my children.

THE POSITIVE IMPACTS OF HOUSING ASSISTANCE FOR LOW INCOME PEOPLE

Overall, the analysis of quantitative and qualitative data on the three Wyatt housing programs tells a positive story in which relatively modest assistance has made a substantial impact on the lives of vulnerable individuals. The magnitude of those impacts and how they can be measured is discussed in the next section.

COST-BENEFIT ANALYSIS

Cost-Benefit Analysis is a widely accepted technique for examining the advantages and disadvantages of policies or actions that seek to bring about change. This form of analysis allows us to evaluate the positive and negative impacts of a set of strategies or programs and also develop an assessment of the cost of a particular pathway. It assists in the comparison of programs by quantifying the costs relative to outcomes, thereby allowing an assessment of both overall impact and efficiency.

This section examines one particular form of Cost-Benefit Analysis called Social Return on Investment that is appropriate for the evaluation of the Housing Initiative Grant Programs.

SOCIAL RETURN ON INVESTMENT METHOD OF COST-BENEFIT ANALYSIS

As part of this assessment we interviewed 20 beneficiaries of the Wyatt Trust Housing Initiative (WTHI) funding and used the principles of Social Return on Investment (SROI) to estimate the impacts of this assistance on individuals: the “cost-benefit assessment”.

Wyatt’s SROI is the social value created by its activities, where potential social value refers to economic costs and benefits—as well as social and environmental benefit.

SROI was developed in the USA in 2000 and is now a globally-recognised methodology used by a range of government and non-government entities (see e.g. “A guide to Social Return on Investment” Cabinet Office, U.K ¹). SROI is based on more traditional cost-benefit analysis, but places particular emphasis on information gained from nominated beneficiaries.

A major challenge when undertaking an SROI analysis is the availability of good evidence, particularly in relation to the outcomes that are achieved as a result of an organisation’s activities. In view of this challenge, a questionnaire was developed when interviewing beneficiaries of the Wyatt program to ensure that necessary information and data were collected to inform the SROI.

It is important to acknowledge that this cost-benefit analysis cannot be a full SROI analysis as not all costs and benefits can be readily captured. In consequence, the financial values assigned to beneficiaries’ outcomes are indicative only. Nonetheless, enough information has been collected from nominated beneficiaries to allow Wyatt to make statements of the form “for every \$1 spent the WTHI program achieves outcomes valued at \$X” – the SROI ratio which captures the effectiveness of the Wyatt Housing Initiative funds in turning its resources into positive outcomes. This information can be used to guide future decision making about how Wyatt activities can be developed, extended or refined.

In summary, the SROI method is a framework for measuring and accounting for a broad concept of value; it measures changes in ways relevant to Wyatt and to Wyatt beneficiaries.

¹ http://www.bond.org.uk/data/files/Cabinet_office_A_guide_to_Social_Return_on_Investment.pdf

The principles and aims guiding the SROI method can be summarised as:

1. understand what changes;
2. involve beneficiaries;
3. value the outcomes that matter to beneficiaries;
4. exclude matters that are not material;
5. do not over-claim;
6. be transparent; and,
7. verify results.

To the extent possible, this SROI adheres to these guiding principles. Specifically the principles of SROI were used to assess the outcomes experienced by nominated beneficiaries affected by Housing Initiative funding and the value of those outcomes to the nominated beneficiaries.

We selected several outcomes or domains for which we can assign benefit and/or value. These domains were grouped under the headings - housing; health; connection to society; employment; training; education or income; and personal aspirations.

In developing this analysis we acknowledged that negative outcomes needed to be considered, but the nominated beneficiaries interviewed for this analysis did not report such consequences. On the other hand, monetising beneficiaries' outcomes depend on individuals estimating the monetary value to them of the housing assistance they received: for some domains valuations had to be subjective and in these areas the SROI evaluation should be treated as indicative.

To monetise the outcomes of the WTHI we consider these issues:

- (1) Understand what changes.

For this SROI changes were straightforward – Wyatt programs were designed to help individual South Australians to access and maintain appropriate and affordable longer term accommodation. The assistance took the form of Built Form Rental Subsidies, assistance with the cost of establishing a home and 'top up' loans to enable entry into home ownership via HomeStart.

- (2) Comparing recipients' situations before and after Wyatt assistance.

Based on information from recipients we were able to assess how the life circumstances of individuals and households changed as a consequence of housing assistance from Wyatt. For some people this meant they were able to leave inappropriate accommodation – such as a boarding house, escape from domestic violence or achieve greater security in their housing. In at least one instance, Wyatt assistance reduced the risk of suicide.

- (3) Did the Wyatt Trust Initiative Funding contribute to the change?

To quantify the influence of the Wyatt intervention we considered to what extent things other than the Housing Initiative Funding contributed to the current housing circumstances of the

nominated beneficiaries. That is, we established attribution by considering who, or what else, assisted the nominated beneficiaries.

- (4) If Wyatt's program had not been established, what would have happened to the individual?

Wyatt intervention had not taken place the nominated beneficiaries indicated their housing costs would have been greater – and unaffordable, in some instances they would have had to go without major electrical items such as refrigerators, and in other cases they would have been unable to enter home ownership. That is, we establish the probability of the same outcome without Wyatt and its programs. That is, the value that would have been created if the Housing Initiative funding had not been introduced: referred to as the deadweight.

- (5) Finally we assigned a financial value (or proxy) to the Wyatt-provided assistance.

Information from nominated beneficiaries was used to assign a value that represents the monetary impact of the Wyatt intervention. This was done by assigning cash value to the five domains of health, employment or education, social activities, and financial situation or security for a one year period. Importantly, the one year time frame suggests the total value of assistance over time is much greater than documented here.

MODELLING SOCIAL RETURN ON INVESTMENT (SROI)

Data for the SROI were collected through 17 separate face-to-face interviews undertaken in June 2015. Because three of the interviews were with couples, information was collected for 20 individuals and in all instances the respondents were asked a series of questions focussing on:

- Their previous housing and other circumstances;
- The type of Wyatt assistance used and their perception of its impact on their lives, including their health, disability status and their capacity to secure employment;
- Their source of income and employment status;
- The presence of others in the home, especially children.

These data were then integrated into the calculation of costs and benefits on an annualised basis. Additional details are available at Appendix A.

The key costs were:

- The cost of administration of packages by Wyatt;
- The opportunity cost of the Wyatt loans, assuming an interest rate of three per cent per annum;
- The provision of a built form rental subsidy of \$20,000 to \$30,000 over seven years;
- Outlays for Foundation Packages ranging from \$1,000 to \$2,500; and,
- Opportunity cost in relation to Home Purchase program through HomeStart.

The significant benefits we were able to assign a value to included:

- Prevention of loss of life;
- Reduced risk of suicide;
- Reduced use of hospital resources;
- Improved mental health/ wellbeing;
- Improved physical health;
- Positive functioning;
- Enhanced social functioning;
- Reduced risk of homelessness;
- Avoidance of residential relocation costs;
- The benefits – access to wealth creation and ontological security – of home ownership over renting.

There were a number of benefits reported by respondents that we were not able to assign a value to. These included:

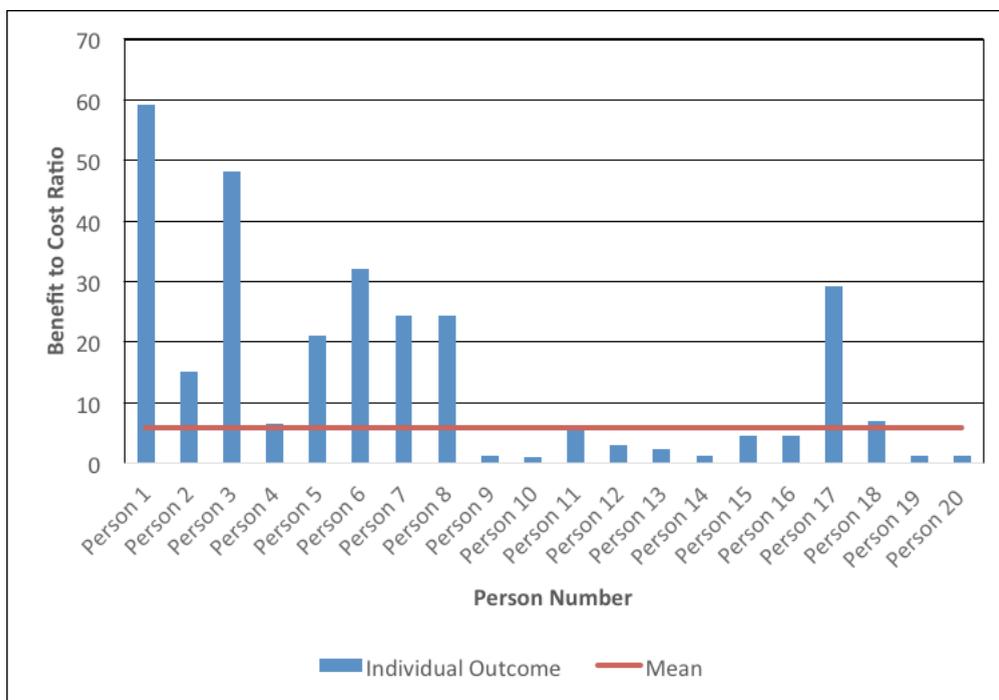
- Housing now suits my needs; and,
- Housing now assists my education.

SOCIAL RETURN ON INVESTMENT: THE OUTCOMES

In broad terms, the Housing Initiative funding introduced by Wyatt generated an overall benefit to cost ratio of 6:1. Another way of expressing this, is that the Initiative Funding of \$5.2m generated \$31.2 million of benefit for the South Australian economy and community, and this benefit was directly targeted at some of the most disadvantaged within the South Australian community.

This ratio varied significantly across individuals (Figure 4), ranging from 1:1 to 59:1, and reflected both variations in outlays and the highly differentiated impact on the lives of individuals. One person, for example, reported that Wyatt assistance enabled them to leave long term boarding house accommodation – effectively homelessness – and without this change they would have committed suicide. Such substantial impacts on the life course – and society – clearly generate greater benefits than in other instances.

FIGURE 4. BENEFIT COST RATIOS FOR HOUSING INITIATIVE FUNDING BY INDIVIDUAL



SOURCE: WYATT 2015

On average, the most favourable benefit to cost ratios were associated with Home Purchase assistance – averaging 24:1, while the Foundation Packages averaged 3:1 and the Rental Accommodation Program averaged 6.3:1. Importantly, all programs reported positive ratios, leading to significant improvements for the lives of recipients.

THE IMPACT OF THE INITIATIVE FUND GRANTS

The calculation of Social Return on Investment provides a useful summative measure of the impact of the Initiative Fund grants. However, it gives little sense of the ways in which individual lives were transformed. For many individuals receipt of a grant or other assistance as part of the Initiative Fund scheme resulted in a reshaping of their lives. One woman in receipt of Rent Assistance who was affected by mental health issues reported that prior to her Wyatt-assisted accommodation she was homeless, living in transitional accommodation. For her, Wyatt assistance had reduced dependence on medications and allowed her to stay out of specialist psychiatric facilities. At the same time, it provided a platform for her to re-engage with the world of paid work, taking on part-time contracts when she felt strong enough. Overall the impact has been substantially positive, and when asked about her future she responded ‘at the moment I see it as a bit brighter’.

A couple in receipt of Rental Accommodation assistance also reported Wyatt assistance had a strongly positive impact on their lives. They were now able to afford their accommodation and felt that in the absence of such assistance they would have been homeless. They felt that they now had ‘a bright future...this is the most ideal place in the world for us’.

Not all assessments were positive: several respondents noted that they had difficulties with their

neighbours, and this trend was most pronounced amongst those in receipt of subsidised rental accommodation. One of the home purchase recipients who held down three part-time jobs while also looking after her children questioned whether moving into home ownership had been the best course of action. However, most home purchase assistance recipients were pleased with their housing, with one commenting that the Wyatt assistance was 'a lifeline ... it was brilliant, like winning a lottery'.

CONCLUSION

The Wyatt mission is to provide financial assistance to South Australians in 'poor or reduced circumstances' so they can lead satisfying and productive lives, and along the way participate more fully in the community. Housing is one of Wyatt's key areas of activity and from 2008 Wyatt introduced Initiative Fund grants with a total value of \$5.2m to address critical needs within the community, while at the same time helping vulnerable South Australians maintain appropriate and affordable longer term accommodation.

The research presented in this paper has demonstrated the value of Wyatt's action, and in particular, the substantial contribution to social and economic wellbeing resulting from the Initiative Fund. The benefit/cost ratio of 6:1 for Wyatt outlays represents a profoundly positive influence within the community and a very effective use of Wyatt's resources. The various programs supported by the Housing Initiative funding have had a real and substantive impact on the lives of individuals: reducing the risk of suicide, allowing exits from homelessness, making individuals feel valued, securing the accommodation future of vulnerable families and providing a foundation for future success.

The success of the Wyatt Initiative Funds was reflected in the perspectives of those working with vulnerable South Australians. This group acknowledged that Initiative Funds allowed them to provide a better quality of service to their clients, and provide more assistance in total to those seeking help. The value of this 'productivity' benefit cannot be under-estimated in a period in which agencies are under increasing pressure to assist more families and individuals in difficult circumstances. Non-government service providers also recognised the importance of the Initiative Fund programs and their capacity to provide long-term solutions to homelessness. The lack of 'exit points' from homelessness services is a major challenge across the welfare sector, and Wyatt made an important contribution in opening up new accommodation options.

Finally, it is important to consider the future of comparable interventions by Wyatt, other philanthropic organisations or alternative actors – such as governments. The research presented in this document clearly demonstrates the need for assistance of the types implemented under the Initiative Fund grants. There is an on-going need for resources to help people acquire goods as they move into a new dwelling. Importantly, Wyatt remains active in this area through its home establishment packages. Finally, there is clear evidence that many vulnerable households received substantial benefits from being assisted into home ownership through the Home Purchase program. Some individuals may not have fully appreciated the value of that assistance, but it was both real and considerable.

Our analysis using the Social Return on Investment technique suggests that the greatest benefits accrued when Wyatt funding was used to help low income households into home purchase. However, we should not use this finding to conclude that future resources should be directed to this form of assistance alone. Both the Foundation Packages and the Built Form Rental Subsidies Program had very positive impacts on the lives of those in the most marginal positions within South Australian society – the homeless, those living with mental illness, women fleeing violence in the home and those affected by profound ill-health. For these groups, the Wyatt programs assisting tenants were a lifeline when all hope appeared lost. As one respondent observed, without the help provided through Wyatt her husband would have died, while a second woman observed ‘it saved me’.

Looking to the future the challenge is to develop new ways to support the sorts of assistance implemented under the Housing Initiative Funds. The value of these programs and policies has been demonstrated, as a community we now need to re-introduce them, and we need to do so at scale.

REFERENCES

- Australian Bureau of Statistics 2011 Census of Population and Housing, *Estimating Homelessness*, ABS, Canberra.
- Beer, A. Baker, E. Wood, G. and Raftery, P. 2011 Housing Policy, Housing Assistance and the Wellbeing Dividend: Developing an Evidence Base for Post GFC Economies, *Housing Studies*, 26:8, pp 1171-92.
- Beer, A. and Faulkner, D. with Clower, T. and Paris, C. 2011 *Housing Transitions through the Life Course: Aspirations, Needs and Policy*, Policy Press, Bristol.
- Beer, A. Kearins, B. and Pieters, H. 2007 Housing Affordability and Planning in Australia, *Housing Studies*, 22:1, pp 11-24.
- Department of Communities and Social Inclusion 2014 Specialist Homelessness Agency Contract Management Report, DCSI, Adelaide.
- Government of South Australia 2015 Median House Sales by Quarter, [www.sa.gov.au/topics/housing-property-and-land/buying and selling/advice for buyers/median-house-sales-by-quarter](http://www.sa.gov.au/topics/housing-property-and-land/buying-and-selling/advice-for-buyers/median-house-sales-by-quarter), accessed 21 July 2015
- Mahmoudi, P. Hordacre, A. and Spoehr, J. 2014 Paying it Forward: Cost Benefit Analysis of the Wyatt Trust Funded Financial Counselling Services, WISeR, Adelaide, Unpublished.
- Realestate.com.au 2015 House Price statistics, <http://www.realestate.com.au/invest/house-in-adelaide,+sa+5000>
- Shanahan, M. 2013 Income and Wealth, pp 225-239 in Spoehr, J. (ed) *State of South Australia: Turbulent Times*, Wakefield Press, Adelaide.
- Yates, J. and Berry, M. 2011 Housing and Mortgage Markets in Turbulent Times: Is Australia Different, *Housing Studies*, 26:8, pp 1133-56.

APPENDIX A: CALCULATION OF COSTS AND BENEFITS

COSTS PER WEEK

- Wyatt Administration Total – \$192 per week, based on half a day per week over one year, for a salary member costing \$1916.5 per week.
- Total Administration Cost per year – \$1 per person per week – assuming 200 individuals at any one time, resulting in a per person cost of approximately \$1
- Wyatt Cost of loan (per \$10,000) – \$6 per household per week. Opportunity cost of loan valued at \$10,000, 3 per cent per annum net
- Wyatt Cost of Built Form Rental Subsidy – \$82 per household per week. Capital cost of built form rent subsidy to \$20,000 to \$30,000 over 7 years
- Wyatt Cost of Foundation Package – \$48 per recipient per week. Ranges from \$1,000 to \$2,500. We assumed the maximum of \$2,500

BENEFITS PER WEEK

- Loss of life – \$962 per week. Assumed the minimum value attributed to a human life from a wide Google search of \$50,000. See Abelson 2015, Table 2.
- Reduced Propensity to Suicide – \$125 per week. Australia: Lifeline Online Crisis support SROI, pp 47-49.
- Reduced Use of Hospital Services – \$41 per week. Australia: Lifeline Online Crisis support SROI, pp 47-50.
- Improved Wellbeing and/or Mental Health – \$41 per week. New Economy Working Papers, 2012, pp 31-32, data converted from pound sterling at \$AUS 1 = 50p.
- Improved Health – \$7 per week. New Economy Working Papers, 2012, pp 31-32, data converted from pound sterling at \$AUS 1 = 50p.
- Improved Family Relationships – \$102 per week. New Economy Working Papers, 2012, pp 31-32, data converted from pound sterling at \$AUS 1 = 50p.
- Positive Functioning – \$41 per week. New Economy Working Papers, 2012, pp 31-32, data converted from pound sterling at \$AUS 1 = 50p.
- Improved Social Activity – \$41 per week. New Economy Working Papers, 2012, pp 31-32, data converted from pound sterling at \$AUS 1 = 50p.
- Risk of Homelessness – \$134 per week. Making it Count: At Risk, data converted from pound sterling at \$AUS 1 = 50p.
- Saved Cost of Moving Home – \$19 per week. Based on Slatter and Beer (2003) Slatter, M. and Beer, A. 2003 Housing Evictions in South Australia: A Study of Bailiff Assisted Evictions, Australian Centre for Community Services Research, Adelaide.
- Home Ownership vs Renting – \$82 per week. www.realestate.com.au/invest/house-prices-in-adelaide

