Sustaining tenancies:
Issues and challenges for social housing providers

Paper 1 of 2
Prepared for the Social Housing Regulation Review panel
by
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Unison Housing

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INTRODUCTION

This is the first of two related papers prepared for the Social Housing Regulation Review panel, on the topic of social housing tenancy sustainment. In this paper, we focus on the issues and challenges relating to social housing tenancy sustainment: why it is important, and why our current understanding of this topic is constrained. In our second paper (Sustaining tenancies: Measuring performance) we address the question of what a social housing tenancy sustainment standard should look like.

Understanding tenancy sustainment patterns is critical both to effectively addressing homelessness, and to improving the long-term viability of the social housing sector. Many social housing tenants have experienced chronic housing instability, including some who have experienced repeat episodes of homelessness. For these households, social housing is an important buffer against the long-term consequences of homelessness (Prentice & Scutella, 2020). But many social housing tenancies are followed by further episodes of instability and homelessness (Taylor et al., 2020; Wiesel et al., 2014; Johnson et al., 2018).

Tenancy sustainment impacts on the viability of social housing because early and unfavourable tenancy exits make the goals of social housing providers more difficult to achieve. When a social housing tenancy ends in unfavourable circumstances there are immediate costs to tenants, social housing providers, and the community. For some tenants, the loss of their home will result in homelessness; for others, there are “financial and personal costs associated with finding a new home and weakening of ties to family and neighbourhood, schools and local services” (The Guinness Partnership, 2015, p.4). For social housing providers, there are costs “arising from the administrative and legal processes, void loss, the costs associated with re-letting the home, and, in many cases, rent arrears that are no longer recoverable.” (op.cit., p.4). In the UK, the costs to social housing providers per eviction were calculated at close to £10,000 (op.cit., p.4). Sustaining social housing tenancies also has important place management implications. Lower turnover in the tenant population enables social housing providers to devote more time and resources to community building activities, thereby contributing positively to a range of important non-housing outcomes. In general, high tenancy turnover incurs administrative costs and reduces rental returns, thus reducing income in an already constrained financial setting.

For more than two decades there have been concerns expressed about the financial viability of the social housing sector (Jacobs et al., 2010). Inadequate demand and supply side subsidies, aging stock and the targeting of social housing stock to those ‘most in need’ has resulted in a system that some argue is “operationally unviable” (Yates, 2013, p.128). Accordingly, policy and scholarly attention has largely focused on interventions that might restore the financial viability of the sector (Hall & Berry, 2004). However, despite their direct relevance to the viability of the sector, questions about tenancy sustainment patterns – how long tenants stay, who stays and why, and who leaves and why they leave – have largely been ignored.

Tenancy sustainment is influenced by a range of factors. The characteristics and prior experiences of tenants are important, but also critical are “decisions about rent level, tenure types and mix, availability of social services and infrastructure” (The Guinness Partnership, 2015, p.5). Currently, there is little understanding of how these factors interact, and there is a notable absence of a workable standard for comparing social housing tenancy outcomes.

The paper starts with a short introduction to the context of social housing tenancies, noting that broader changes to the social housing sector have a bearing on tenancy sustainment. This is followed by a discussion of how and why different organisations define tenancy sustainment. We then discuss
three respective issues: current understanding of social housing tenancy patterns; distinguishing between different types of exit; and varied risk levels for early or unfavourable exit from social housing.

CONTEXT

In Australia, social housing is scarce. Since its peak in the early 1990s, the proportion of social housing in the total housing stock has declined from a little over 6%, to a current low of just over 4%. Although Victoria has the lowest per capita amount of social housing of all states and territories, in 2020 the Victorian state government announced an investment of $5.3 billion in social and affordable housing over four years, which will boost Victorian social housing stocks by over 10%.

While the share of social housing as a proportion of Australian housing stock has declined over time, social housing has changed in other ways. In 1973, the introduction of income eligibility limits transformed the social housing sector from a stepping-stone into the private housing market for low-income households, into a form of welfare housing targeting households most in need (Groenhart et al., 2014; Yates, 2013).

Since that time, the residualisation of social housing has continued unabated, with tighter targeting and eligibility conditions significantly altering the tenant profile. Not only has this contributed to a decline in rental revenue per dwelling (Hall and Berry, 2004, p.109), it has increased the challenges that social housing tenancy managers face. Nearly two decades ago, the Victorian Government’s Homelessness strategy bluntly stated that:

> The increased targeting of public housing means there are now more public tenants with lower incomes and complex needs than ever before. For some sustaining a long-term tenancy is difficult without assistance and support. This may be due to circumstances that predate their tenancy (such as long-term homelessness), or because a tenant’s personal circumstances change and the stability of their housing is jeopardised. The increasing complexity of the tenant population is creating challenges for housing service officers who manage the day-to-day operations of public housing. (Victorian Government, 2002, p.34)

Yet even as the changing tenant profile reduces rental returns, increases the likelihood of losses from early or unfavourable exits, and increases the resources required to manage day-to-day operations, social housing providers are expected to create thriving communities and reduce early tenancy loss for a wide variety of tenants with different needs, and to do so in a cost-efficient manner. In addition, sustaining tenancies is an implied regulatory requirement (Housing Register, 2021, p.15).

DEFINING TENANCY SUSTAINMENT

Tenancy sustainment is a relatively new term in the context of social housing, and it is used in different ways by different organisations. Tenancy sustainment can be thought of as an outcome to measure, but also a broad goal – that of “preventing a tenancy from coming to a premature end by providing the necessary information, advice and support for tenants to be able to maintain their tenancies” (The Guinness Partnership, 2015, p.5, emphasis added).

The methodology for quantifying tenancy sustainment is not pre-determined, and there are several similar terms. The term tenancy **sustainment** is often used interchangeably with terms such as tenancy
Retention, tenancy maintenance and tenancy duration. These all refer to fundamentally the same subject (time in a tenancy), but there are some subtle differences worth noting. Tenancy maintenance and retention tend to examine the proportion of tenancies that stay in place over a fixed period of time, generally one year. The Victorian Housing Register reports on “tenancies maintained” for respective financial years, with the most recent figure (2019-20) just under 90% (Housing Register, 2021, pp.14-15). Tenancy duration is subtly different again. Unlike maintenance or retention, it captures the length of time that tenancies remained in place prior to a given point in time, and it can be calculated both for exited tenancies and ongoing tenancies. The durations of ongoing tenancies need to be interpreted with care, because their final durations will not be known until they exit, and because some tenancies will have short durations on account of having only started recently. In our research (Taylor & Johnson, 2021a, 2021b), we quantify tenancy sustainment as a series of probabilities, calculated from the proportion of tenancies who could and did stay at multiple timepoints after the commencement of a tenancy. This approach is described in greater detail in the second paper.

As to why different organisations examine tenancy sustainment patterns, five general observations are relevant. First, different types of social housing providers have very different reasons for examining tenancy sustainment patterns. In the context of limited, and declining, dwelling numbers and long waiting lists in public housing, some State Housing Authorities are interested in encouraging exits (Wiesel et al., 2014; Whelan, 2009). This is not necessarily true of community housing providers, whose financial viability is generally enhanced by longer tenancy sustainment.

Second, while community housing providers and State Housing Authorities may have different reasons to examine tenancy sustainment patterns, the primary goal of tenancy sustainment is to prevent tenancies coming to a premature end. That is, in circumstances that do not lead to better housing opportunities. We elaborate on this point further in subsequent pages.

Third, while sustaining a tenancy for a long time is implicitly viewed as a positive outcome, it is important to recognise that this might not always be the case. Weighing up the importance of social housing tenancy sustainment presents a bundle of considerations, rather than a binary case of long tenancies always being a good outcome, and short tenancies always being a bad outcome. In our research, we have found that tenancies that end badly are also more likely to end early (Johnson et al., 2019; Taylor & Johnson, 2021a). However, but it does not necessarily follow that a very long social housing tenancy is always a good outcome. For most households, social housing is “housing of last resort” (Parliament of Australia, 2015). Some households remain in social housing even when it doesn’t suit their needs, it is in poor condition, or is located away from their community, or even when they are in conflict with neighbours, simply because they have no other housing options. Furthermore, a small number of very long tenancies present social housing providers with complex challenges that can often undermine the housing stability, health, and happiness of other tenants and neighbours. Similarly, just because some people have relatively short tenancies, it is problematic to assume this is always a bad outcome. Indeed, we know that the housing mobility of younger people in the broader community is greater than older people, and we know that single people are more mobile than families. Their earlier tenancy exits do not necessarily reflect poorly on a tenancy, or on their future housing outcomes.

Fourth, while recognising that a long tenancy is not always a good outcome, research consistently indicates that stable, good quality, affordable housing is associated with better non-housing outcomes such as education, health and employment (Bridge et al., 2003; Phibbs & Young, 2005; Phibbs & Thompson, 2011; Wright & Kloos, 2007). As Fitzpatrick and Watts (2017) point out, length of time in a tenancy is intertwined with the process of making a home:
Longer-term tenancies enable people to have a confidence about the area that they live in, and to feel that the house or flat that they live in is actually a home. (Fitzpatrick & Watts, 2017, p.1026)

Lastly, and in recognition of the points above: tenancy sustainment is important to individuals, albeit not in a straightforward way, but it is also important to communities. For communities to thrive they need at least some stable longer-term tenancies. Without some continuity in the mix of residents in an area, the ‘churn’ of many short tenancies will override positive outcomes achieved with placemaking activities or from relationships between neighbours.

Hence, social housing providers have multiple reasons to be interested in tenancy sustainment. However, this does not translate to a commensurate level of available information.

**ISSUE ONE: CURRENT UNDERSTANDING OF TENANCY PATTERNS**

Shifts in the social and economic profile of social housing residents, as well as trends in supply and demand for social housing in Australia, are well documented (Groenhart, et al., 2014; Jacobs, et al., 2010; Yates, 2013). However, tenancy sustainment patterns have received relatively little attention. Questions about the likelihood of staying in a tenancy, or about the characteristics of long, rather than just very short, social housing tenancies are particularly hard to answer.

Few scholarly articles in Australia focus exclusively on social housing tenancy sustainment, or even on the related topics of duration or retention. Wiesel and colleagues (2014) noted the small amount of information on social housing tenancy duration in Australia in comparison to other jurisdictions (pp. 6-7). Further to this, the small number of studies that have examined social housing tenancy duration in Australia, have done so more specifically in the context of public housing, with less attention to community housing. Whelan (2009) examined tenancy duration patterns in Western Australian public housing, and found that tenancy duration varied by attributes such as household type (with lone parents and singles staying longer than couples), tenant age (with older tenants staying longer), and local market rent (with households staying longest in metropolitan areas where the financial advantage of public housing was higher in comparison to private rents, and exiting earlier in regional areas where the comparative financial advantage of public housing was lower). A study of New South Wales public housing by Bermingham and Park (2013) also found earlier exits in regional areas, where the private rental market was relatively accessible. Seelig and colleagues (2008) identified a “revolving door” pattern in public housing, with some 30% of tenants, often with multiple vulnerabilities, cycling in and out of short public housing tenancies. This “revolving door” pattern existed alongside that of some very long tenancies.

Some existing sources of information can help to shed light on tenancy duration patterns in Australian social housing. For instance, data collected by the Australian Institute of Health and Welfare (AIHW, 2020) provide some insights. Table 1 (below), sourced from AIHW data, shows substantial differences in the tenancy length profiles of ongoing social housing residents in respective years from 2011 to 2019, depending on whether they resided in community housing or public housing. The table shows that, in 2019, about one in five (18%) of ongoing public housing tenancies were less than one year in duration. By way of comparison, the figure for community housing was over double that of public

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housing: 37% of ongoing community housing tenancies in 2019 were one year or less in duration. At the other end of the tenancy length continuum shown in Table 1, 43% of ongoing public housing tenancies in 2019 were 10 years or longer, compared to only 14.5% of ongoing community housing tenancies.

Table 1: Percentage of ongoing households by tenure length, public housing and community housing, 2011 to 2019.

<table>
<thead>
<tr>
<th>Year</th>
<th>Public housing 1 year or less (%)</th>
<th>Public housing 2 - 4 years (%)</th>
<th>Public housing 5 - 9 years (%)</th>
<th>Public housing 10 yrs or longer (%)</th>
<th>Community housing 1 year or less (%)</th>
<th>Community housing 2 - 4 years (%)</th>
<th>Community housing 5 - 9 years (%)</th>
<th>Community housing 10 yrs or longer (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>17.9</td>
<td>20.1</td>
<td>24.1</td>
<td>37.9</td>
<td>20.1</td>
<td>24.1</td>
<td>27.3</td>
<td>37.9</td>
</tr>
<tr>
<td>2012</td>
<td>17.6</td>
<td>19.3</td>
<td>23.9</td>
<td>39.1</td>
<td>19.3</td>
<td>23.9</td>
<td>22.4</td>
<td>40.1</td>
</tr>
<tr>
<td>2013</td>
<td>17.8</td>
<td>18.8</td>
<td>23.4</td>
<td>40.1</td>
<td>18.8</td>
<td>23.4</td>
<td>21.7</td>
<td>41.9</td>
</tr>
<tr>
<td>2014</td>
<td>18.0</td>
<td>26.9</td>
<td>22.4</td>
<td>41.0</td>
<td>26.9</td>
<td>22.4</td>
<td>22.4</td>
<td>42.4</td>
</tr>
<tr>
<td>2015</td>
<td>17.7</td>
<td>28.1</td>
<td>21.7</td>
<td>41.9</td>
<td>28.1</td>
<td>21.7</td>
<td>23.4</td>
<td>43.0</td>
</tr>
<tr>
<td>2016</td>
<td>17.7</td>
<td>32.1</td>
<td>22.4</td>
<td>42.4</td>
<td>32.1</td>
<td>22.4</td>
<td>24.2</td>
<td>43.0</td>
</tr>
<tr>
<td>2017</td>
<td>17.8</td>
<td>30.9</td>
<td>23.4</td>
<td>43.0</td>
<td>30.9</td>
<td>23.4</td>
<td>25.1</td>
<td>43.0</td>
</tr>
<tr>
<td>2018</td>
<td>18.2</td>
<td>32.3</td>
<td>23.9</td>
<td>43.1</td>
<td>32.3</td>
<td>23.9</td>
<td>26.4</td>
<td>43.1</td>
</tr>
<tr>
<td>2019</td>
<td>18.1</td>
<td>37.3</td>
<td>24.1</td>
<td>43.2</td>
<td>37.3</td>
<td>24.1</td>
<td>21.8</td>
<td>43.2</td>
</tr>
</tbody>
</table>

**SOURCE:** Australian Institute of Health and Welfare (AIHW, 2020)

The tenancy length patterns over time shown in Table 1 helps to reveal some shifts in both community and public housing. Among ongoing community housing tenancies, the percentage of tenancies of 1 year or less increased by 10 percentage points over the six years where data was available, from 27% in 2014 to 37% in 2019, while the proportion of tenancies 2-4 years in duration declined from 29% to 22%. However, tenancies of 5-9 years duration almost doubled, from 13% in 2014 to 25% in 2019, as did the proportion of community housing tenancies 10 years or longer, from 8% in 2014 to 14.5% in 2019.

For ongoing public housing tenancies, we can see that the pattern is slightly different. Among ongoing public housing tenancies, the proportion of shorter tenancies (either 1 year or less, 2-4 years or 5-9 years) was relatively stable from 2011 to 2019, while the proportion of longer tenancies (10 years plus) increased, albeit only by a modest amount (5 percentage points). These data points suggest that once people get into public housing, and if they stay in it, then they are staying longer. This is consistent with evidence that shows many vulnerable households seek to maintain their social housing tenancies because the affordable housing options available to them are more limited than ever, but also because of the high value placed on security of tenure (Lewis, 2006; Fitzpatrick & Pawson, 2014; Fitzpatrick & Watts, 2017; Wiesel et al., 2014).

However, the tenancy length patterns in Table 1 also highlight some methodological challenges. It is difficult to determine how much churn is occurring, because the data tells us only about the ongoing (non-exited) social housing tenancy population at given points in time. This is comparable to a census. This style of point-in-time data is useful but can be potentially misleading if used as the primary means to inform thinking about tenancy sustainment. This is true for two reasons. First, the data refers only to ongoing tenancies, and it is unclear how much longer these respective tenancies will continue. To use a cricket analogy, these tenancies are ‘not out’, and we cannot be sure whether they will exit soon or much later. It may be that many of the shorter tenancies eventually become very long tenancies, but simply appear shorter here because of having started more recently. Alternatively, they may exit shortly. Second, and most importantly, we don’t know anything about those tenancies that have ended. Are the exited tenancies in these respective years made up of mainly of short tenancies or longer ones? There may be great variation, but we cannot tell from this style of data. Similar problems arise from relying on point-in-time data in homelessness shelter systems, which tend to overlook the
characteristics of large numbers of people who exit quickly and overemphasise the characteristics of people who do not exit as quickly (Shinn & Khadduri, 2020, pp. 26-31). **In order to better understand tenancy sustainment patterns over time, information on every tenancy that commenced in a given year, both ongoing and exited, is needed.**

We illustrate the problem of considering only ongoing tenancies by drawing on the results of our recent study of Elizabeth Street Common Ground (ESCG), a permanent supportive housing facility in Melbourne (Taylor & Johnson, 2021a). ESCG comprises a mix of both affordable tenancies and supported social housing tenancies for chronically homeless individuals and has operated since 2010. It is important to stress that we are not suggesting these specific results are generalisable to the broader social housing sector, because ESCG is quite unique. Rather, we are making a broader point that to understand tenancy sustainment patterns, and to develop effective policies, data on both **current** and **exited** tenancies is required.

Drawing on 9 years of tenancy data from ESCG, we found that, among **current** tenancies, over half had been housed for four years or more (Table 2). From this perspective on the data, it looks like the majority of tenancies are relatively long. Given that half the ESCG tenancies are for individuals who have experienced chronic homelessness (supported tenancies), of whom over 60% of current tenancies are four years of more in duration, this also means that the facility appears to be quite successful. However, when we look at **exited** tenancies, the tenancy pattern appears very different. Less than 10% of exited tenancies (both affordable and supported) lasted four years or more, and the majority lasted for less than 1 year. Hence, the durations of exited tenancies at ESCG present a very different picture to those of current tenancies.

**Table 2:** Tenancy duration by tenancy status and tenancy type, Elizabeth Street Common Ground permanent supportive housing facility

<table>
<thead>
<tr>
<th></th>
<th>Current tenants</th>
<th>Exit tenancies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supported (n=68)</td>
<td>Supported (n=157)</td>
</tr>
<tr>
<td>0 - 11 months</td>
<td>10.3</td>
<td>50.3</td>
</tr>
<tr>
<td>12 - 23 months</td>
<td>10.3</td>
<td>17.8</td>
</tr>
<tr>
<td>24 – 35 months</td>
<td>13.2</td>
<td>12.1</td>
</tr>
<tr>
<td>36 – 47 months</td>
<td>5.9</td>
<td>10.8</td>
</tr>
<tr>
<td>4 years or more</td>
<td>60.3</td>
<td>8.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**SOURCE:** Taylor & Johnson (2021a)

Changes in the distribution of ongoing tenancy lengths (such as those presented in Table 1 and Table 2) are useful in recognising broad patterns in tenancy profiles over time. However, they provide little insight into tenancy sustainment patterns, precisely because tenancies that end quickly are less likely to be captured in point-in-time data than those that last longer. Tenancy churn, with significant implications for individuals and for social housing providers and the community, tends to be hidden from view. Because of this, we believe that social housing providers, both public housing authorities and community housing providers, should release de-identified data on both **current** and **exited** tenancies. Making this information available would contribute to the development of a more sophisticated and policy-relevant understanding of tenancy sustainment patterns in social housing. This topic is discussed in greater detail in our second paper.
How long people stay in social housing is important, both for individuals, social housing providers, and the community. However, to develop meaningful data on social housing tenancy sustainment, and to inform policy decisions, it is equally important to understand the reasons why people leave.

**ISSUE TWO: DISTINGUISHING BETWEEN DIFFERENT TYPES OF TENANCY EXITS**

People leave social housing for a range of reasons. Sometimes people move into a better place, or sometimes they move in with a partner or friends. These moves do not necessarily reflect poorly on the quality of housing, or on their prospects for future housing outcomes. But people also leave social housing tenancies for other reasons, such as rent arrears and repossession. There is a fundamental difference between these types of move, and researchers examining tenants’ motivations for leaving subsidised housing have drawn a useful analytical distinction between those that leave because of housing opportunities elsewhere, and those that leave because of problems within the tenancy. These motivations are labelled in a variety of ways – as positive and negative exits (Cusack et al., 2016; Scherling, 2018); as push and pull factors (Wiesel et al., 2014; Raynor & O’Neil, 2018), as voluntary and involuntary or favourable and unfavourable exits (Wong et al., 2006). Regardless of specific terminology, a well-developed body of evidence indicates that low-income households that leave their housing for unfavourable reasons report worse health and housing outcomes than those who leave for favourable reasons (Wong et al., 2006, p. 40; Cusack & Montgomery, 2017a, 2017b). Furthermore, if exits from social housing are typically favourable, then the policy and practice implications are quite different than if exits are generally unfavourable (Stenberg et al., 1995; Wong et al., 2006; Cusack & Montgomery, 2017a, 2017b; Crane & Warnes, 2000; Rutan & Desmond, 2021; Garcia & Kim, 2021).

How might we distinguish between different types of exits in practice, without needing to collect extensive additional data? Collecting new data requires time and resources, and in the context of social housing this is not a trivial consideration. Our research presents one example of distinguishing between types of exit, without prohibitive extra data collection (Taylor & Johnson, 2021a). Drawing on the literature relating to tenancy exit types, we classified exit reasons recorded in the Unison Housing tenancy management system into two broad types: favourable and unfavourable exits (Table 3). Exits were classified as favourable in cases where the exit reason primarily indicated a long-term housing opportunity elsewhere (for example, ‘offered social housing’). Exits were classified as unfavourable in cases where the exit reason primarily indicated a problem within the tenancy: this included exits in which the tenant was forced to leave (for example, ‘evicted after formal action on anti-social behaviour’), or where the tenant found the housing unaffordable or unsuitable, or where conflict, property abandonment, or incarceration were included in the exit reason. This is not necessarily the only set of exit reason classifications that could be implemented, given that there is room for ambiguity with some exit reasons, such as “Leaving Melbourne”. Nonetheless, the majority of exit reasons classified as unfavourable are unequivocally the case.

The exit reasons and exit types presented in Table 3 sensitise us to the fact that there are a range of unfavourable exit reasons in social housing, of which evictions are just one component. This is important for two reasons.

First, based on the research referred to above, we can make a reasonable assumption that people who leave social housing for unfavourable reasons are more likely to move to less desirable housing situations, including homelessness, than those who leave for favourable reasons. It is possible to quantify this with longitudinal studies that track outcomes after people exit social housing (Prentice & Scutella, 2020; Taylor et al., 2020). However, longitudinal research is resource intensive. Data on exit reasons is already available in tenancy administrative systems: not always complete or perfect,
but at very low cost, and with historical coverage. In combination with existing research into tenancy exit types, this data presents a pragmatic option for assessing social housing tenancy outcomes.

**Table 3:** Tenancy exit framework applied to exit reasons recorded in Unison Housing tenancy management system

<table>
<thead>
<tr>
<th>Exit reasons recorded in tenancy management system</th>
<th>Classification of exit type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moved to other housing</td>
<td>FAVOURABLE</td>
</tr>
<tr>
<td>Leaving Melbourne</td>
<td></td>
</tr>
<tr>
<td>Offered social housing</td>
<td></td>
</tr>
<tr>
<td>Housing unsuitable for needs</td>
<td>UNFAVOURABLE</td>
</tr>
<tr>
<td>Evicted after formal action on anti-social behaviour</td>
<td></td>
</tr>
<tr>
<td>Property abandoned</td>
<td></td>
</tr>
<tr>
<td>Evicted after formal action on rent arrears</td>
<td></td>
</tr>
<tr>
<td>Housing not affordable</td>
<td></td>
</tr>
<tr>
<td>Vacated after formal action on anti-social behaviour</td>
<td></td>
</tr>
<tr>
<td>Incarcerated</td>
<td></td>
</tr>
<tr>
<td>Vacated after formal action on rent arrears</td>
<td></td>
</tr>
<tr>
<td>Conflict with neighbours</td>
<td></td>
</tr>
<tr>
<td>Evicted with immediate notice - put people or property in danger</td>
<td></td>
</tr>
</tbody>
</table>

**SOURCE:** Taylor & Johnson (2021a)

Second, the range of unfavourable exit reasons from social housing tenancies shown in Table 3 contrasts with the fact that most policy and regulatory attention is focused on a single unfavourable exit: eviction.

Eviction is a logical starting point to look at when considering tenancy sustainment outcomes, given that eviction is the ultimate consequence of not being able to keep a home. Unfortunately, eviction data in Victoria is scarce. The Victorian Civil and Administrative Tribunal (VCAT), the authority responsible for hearing eviction matters, holds considerable information on evictions, including cases relating to public and community housing providers. But publicly available data on these outcomes is very limited, as it is not made available in a consistent format that facilitates analyses over time. Details of some but not all eviction cases are listed online by the Australasian Legal Information Institute.\(^2\) While these cases present informative qualitative data, access to the full spectrum of eviction outcomes at VCAT is limited to organisations with the resources and wherewithal to submit detailed requests.

Nonetheless, there is some publicly available information on evictions from social housing. While this information is patchy, it provides some insights into how often evictions occur. For instance, at the turn of the century the Victorian Department of Human Services (2002) noted that 14% of tenancies exited public housing each year, and that evictions accounted for 6.6% of these exits. This pattern is similar in community housing. Within community housing, 12% of tenancies exited their housing in 2018/19 (Housing Register, 2020, p.12). Over a five-year period between 2015 and 2019, evictions from Housing Associations in Victoria accounted for approximately 8% of exits, while across the broader community housing sector, they accounted for 7% of exits (Table 4). The eviction rate from social housing tenancies is a performance measure of interest to the Victorian Housing Register, which sets a preferred benchmark rate of 5% of exits each year (Housing Register, 2021, p.16).

\(^2\) Outcomes of specific Residential Tenancy cases heard at VCAT are published for public access by the Australasian Legal Information Institute at: [https://www8.austlii.edu.au/cgi-bin/viewdb/au/cases/vic/VCAT/](https://www8.austlii.edu.au/cgi-bin/viewdb/au/cases/vic/VCAT/)
The information presented in Table 4 is helpful for understanding that evictions are an ongoing part of Victorian social housing. However, its utility for understanding tenancy sustainment patterns is limited in two ways: the data format, and the specificity of the topic. The data format is limited with respect to tenancy sustainment patterns because it is aggregated at a very high level and hence does not facilitate insights into whether there are variations between CHPs, or between different tenant cohorts. The information is also limited for another, very different reason: its focus on evictions. In practice, evictions are only one of several ways a tenancy can end in unfavourable circumstances, and formalised evictions tend to represent just the ‘tip of the iceberg’, both of the eviction process, and of unfavourable exits. Work undertaken by researchers in Sweden is instructive here (Otter et al., 2017). Looking at the wider eviction process, they found that only 6% of eviction applications ended with an executed eviction, but that many households facing eviction (for a variety of reasons indicative of tenancy breakdown, such as rent arrears or damage), had already moved out before an eviction was formalised, specifically in order to avoid a formal eviction. Hence, their exits were related to eviction processes, and took place in unfavourable circumstances, but were not formal evictions.

Our research at Unison Housing found a similar pattern to that noted by Swedish researchers: that evictions comprise only a small proportion of unfavourable exits. Table 5 shows the results of two different studies drawing on Unison tenancy administration data: one that examined exit patterns from Unison Housing over a three-year period (Johnson et al., 2019), the other, a detailed examination of 9 years of tenancy data from Elizabeth Street Common Ground, also managed by Unison Housing (Taylor & Johnson 2021a). Both studies found that approximately 30% - 40% of tenancy exits were for favourable reasons, meaning that the exit reason indicated a move primarily motivated by other housing prospects. This is not necessarily a comment on whether these housing prospects were successful in the long term, but that the exit was not in unfavourable circumstances or indicative of problems within the tenancy.

However, in both studies referred to in Table 5, over half of the tenancies had exited for unfavourable reasons. As we have noted, exits in unfavourable circumstances are typically associated with poor longer-term housing and non-housing outcomes. When examining social housing exit reasons from empirical data such as this, it becomes clear that evictions only account for approximately one third of tenancies that end for unfavourable reasons.

At one level, a focus on evictions make sense – they are easy to measure and represent the worst possible housing outcome. But it also the case that many more people leave before they are formally evicted, in circumstances that are indicative of a problem in the tenancy, and which also bode poorly for future housing outcomes. A focus only on evictions as a metric of negative tenancy outcomes ignores a wide range of social housing tenancy exits suggestive of some form of tenancy breakdown.
Table 5: Proportions of exits with known exit reasons, Unison Housing tenancy management system, two studies

<table>
<thead>
<tr>
<th>Classification of exit type</th>
<th>Exit reasons recorded in tenancy management system</th>
<th>Johnson et al. (2019) (N=566)*</th>
<th>Taylor and Johnson (2021a) (N=227)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAVOURABLE</td>
<td>Moved to other housing</td>
<td>23</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Leaving Melbourne</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Offered social housing</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>UNFAVOURABLE</td>
<td>Housing unsuitable for needs**</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>Property abandoned</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Conflict with neighbours</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Housing not affordable</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Vacated after formal action on anti-social behaviour</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Incarcerated</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Vacated after formal action on rent arrears</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>NTV – No specified reasons</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Evicted after formal action on anti-social behaviour 5 8
Evicted after formal action on rent arrears 15 7
Evicted with immediate notice - put people or property in danger - 1

* Excludes deceased and missing/unknown
**Includes ‘unsatisfied with standard of housing’ and ‘temporary housing only’.

SOURCE: Johnson et al., (2019); Taylor & Johnson (2021a).

A further point to consider is that both these studies found that tenancies ending for unfavourable reasons were more likely to exit early than tenancies ending for favourable reasons. From a policy perspective, thinking about exits in terms of unfavourable and favourable is a necessary step in the process of developing more targeted interventions to boost sustainment rates. But it is also important to acknowledge that exit circumstances, long-term housing outcomes, and tenancy durations are interrelated, in a manner not suited to tracking with simple metrics. Data on evictions, and data on retention by year, or durations of ongoing tenancies, provide some insights into social housing tenancy sustainment but will almost certainly underestimate the level of housing instability and churn in the social housing system.

ISSUE THREE: VARIED RISKS OF EARLY OR UNFAVOURABLE TENANCY EXITS

The final issue we focus on is what is currently known about the characteristics of tenancies that exit from social housing early or in unfavourable circumstances. The short answer is not a great deal. In part, this is simply because questions about tenancy sustainment have received relatively little attention. But it is also because, in general, we know so little about the characteristics of social housing residents, apart from some broad demographic information (AIHW, 2019a) and the fact that most new allocations into social housing are to households deemed to be ‘in greatest need’. This information about social housing tenants is available from Australian Institute of Health and Welfare data, pooled from social housing waiting lists in respective states. According to the AIHW (2019b), greatest need refers to low-income households meeting the following criteria:

...if, at the time of allocation, household members were subject to one or more of the following circumstances:
• they were experiencing homelessness
• they were at risk of homelessness, including:
  ▪ their life or safety was threatened within existing accommodation
  ▪ a health condition was exacerbated by existing accommodation
  ▪ their existing accommodation was inappropriate to their needs
  ▪ they were experiencing very high rental costs.

A large proportion of social housing tenants meet the criteria of **greatest need**. AIHW data indicates that, over an eight-year period between 2009/10 and 2016/17, the proportion of community housing allocated to those in greatest need increased from 63% to 86%, and the proportion of public housing allocated to those in greatest need remained relatively steady (but substantial) at around 72-74%.³

Given the high, and increasing, proportion of social housing tenancies allocated to greatest need households, it might be thought that there would be more detailed information available on the characteristics of greatest need tenants and the experiences which had led to their classification. This is not the case.

For instance, in the criteria for **greatest risk**, people experiencing homelessness are treated as a relatively homogeneous group, despite numerous homelessness studies suggesting otherwise (Benjaminsen & Andrade, 2015; Johnson *et al.*, 2008; Kuhn & Culhane, 1998). The issues that a chronically homeless person will face in sustaining a tenancy will be different, and of a different order of magnitude, to those faced by someone whose homelessness is directly attributable to an economic shock such as a job loss. Indeed, the biographical and experiential diversity of Australia’s homeless population is one reasons that homelessness such a challenging policy issue.

The same issue holds true for those classified in AIHW data as **at risk** of homelessness. No doubt, a low-income household experiencing high rental costs is at risk of homelessness, as is a low-income household whose accommodation is inappropriate for their needs. But the spectrum of individuals meeting these criteria would likely include households whose concerns are centred primarily on poverty, through to those with multiple, complex, and enduring needs. Households at the latter end of this spectrum are likely to have very different tenancy sustainment probabilities and tenancy support requirements than those at the other. Both need social housing, but the practicalities of sustaining that housing are likely to be very different.

In summary, the currently available social housing tenant characteristic of **greatest need** is too blunt to provide any meaningful leverage on tenancy sustainment patterns. This means that, while we know that social housing providers work with a large number of greatest need households, it is quite possible that respective social housing providers are working with different populations of disadvantaged households, with different needs and with varied prospects for sustaining housing. This variation has significant implications for tenancy sustainment, as well as the financial viability of respective social housing providers. But, with currently available data it is difficult to examine this variation, even if the consequences are already being felt by social housing providers.

Without much detail available on the different characteristics of Australian social housing tenants, and with the bulk of tenants classified as greatest need, it is difficult to establish any link between tenant characteristics and social housing tenancy sustainment patterns. **A result is that it is implicitly**

assumed that a) social housing providers house similar populations, and b) the probabilities of sustaining housing are the same for all social housing tenancies.

While publicly available data on the characteristics of social housing tenancies is scarce and blunt, some potentially useful information is held by respective social housing providers. This cannot match the detail of tenant data collected in the process of applying for social housing, but it nonetheless can provide powerful examples of the variability of tenancy sustainment probability. In our recent report on tenancy sustainment patterns at Unison Housing (Taylor & Johnson, 2021b) we utilised tenant and tenancy attributes derived from Unison’s tenancy management records. Even with a very limited dataset, we found that probabilities of respective tenants sustaining their tenancies varied in distinctive ways.

In this study we examined over 1900 tenancy records, both current and exited, and found six distinct empirical patterns. It is likely that other tenant and tenancy characteristics outside the scope of the tenancy management system are also associated with tenancy sustainment patterns, but these six patterns were apparent even with the dataset available.

First, we found that the type of housing that people moved into mattered to how long they stayed there. Unison tenancy records distinguished between rooming house tenancies and Long-Term (non-rooming house) tenancies, with the former comprising housing with shared kitchen and/or bathroom facilities. We found that the cumulative probability of sustaining a Unison Long-Term tenancy was nearly double that of sustaining a rooming house tenancy, at any point in time after tenancy commencement. This was not surprising given the poor track record for tenant outcomes in rooming houses and the consequent divestment within Victorian community housing (Taylor, 2021). But it does provide further evidence that rooming houses are not highly valued by many residents, and that this manifests in earlier exits.

Second, we found that the housing people were living in immediately prior to entering social housing was also associated with different tenancy sustainment patterns. Figure 1 shows that the cumulative probability of sustaining a Long-Term\(^4\) Unison tenancy is lowest among households that were in prison prior to moving into their housing. Most of these tenancies exited after less than one year, and the probability of sustaining to three years was close to zero. In contrast, the cumulative probability of sustaining a tenancy was highest among households who had moved from rooming houses. While former rooming house residents stayed longer in their tenancies, as did former private rental residents, we found that the probability of sustaining a tenancy was noticeably lower for households who were homeless immediately prior to beginning their tenancy.

\(^4\) In Unison Housing tenancy records, Long-Term tenancies exclude rooming house and transitional tenancies.
Thirdly, the strongest finding from our examination of Unison tenancy records related to the age at which a person commenced their tenancy. Figure 2 (below) shows the estimated probability of tenancy sustainment for Unison Long-Term tenancies, split by gender, for two age groups: age 45 and over at tenancy commencement, and age 25 or less. We found that the cumulative probability of sustaining a tenancy was much higher among both males and females who were older at tenancy commencement. For example, tenants aged over 45 years at tenancy commencement have more than twice the probability of sustaining their tenancy to two years compared to tenants aged under 25 years: for females, this difference is 76% compared to 39%.

As can also be seen in Figure 2, we found that gender had relatively little influence on tenancy sustainment patterns when compared to the impact of tenant age. The results indicate that male and female tenants, respectively, have near identical cumulative probabilities of sustaining their Unison Long-Term tenancy. There are some small differences, with females under 25 having slightly higher probabilities of sustaining their tenancy than males in the same age group, but they are modest.

While the findings on tenant age were striking to us, a strong association between older tenant age and longer tenancy sustainment is consistent with findings from a range of studies outside Australia (Ambrose, 2005; Munch & Svarer, 2002; Nagy, 1995). The importance of tenant age was also borne out in our more detailed study of Elizabeth Street Common Ground, where we noted that each year increase in tenant age reduced the probability of exiting (Taylor & Johnson, 2021a). But even in our initial examination of Unison tenancy records, we found the differences between younger and older tenants striking enough to suggest the idea that what constitutes a ‘long’ tenancy should be considered relative to tenant age. This idea has continued to hold weight for us.
Returning to our earlier discussion about the greatest need characteristic that describes a large proportion of social housing tenants, we can pause to consider the influence of other tenant attributes. In Victoria, when applying for social housing priority access\(^5\) there is a special priority category for people aged over 55. From the results and literature referred to above, we can now infer that a social housing provider offering housing to people from this priority category is likely to have very different tenancy sustainment patterns than a social housing provider working with, for example, younger people who have experienced homelessness. Both groups are in need of housing and are likely to benefit from social housing. But the challenges that the respective social housing providers will face when housing them are different. This will be evident in practice, but not in publicly available data.

The fourth finding from our examination of Unison Housing tenancy records was that income type was important to the prospects of sustaining a tenancy (Figure 3). We found that households in receipt of the Disability Support Pension (DSP) stayed longer in their Unison tenancies than those in receipt of Newstart Allowance and equivalents. However, the differences were modest. Given that the split between types of Centrelink allowances cut across a wide range of other tenant characteristics at Unison, we concluded that this characteristic was a small but persistent factor impacting on tenancy sustainment. Among Unison tenants, recipients of DSP include both younger and older tenants, men and women, and people with varied preceding housing experiences. The same is true of recipients of Newstart and equivalents. But, while both represent low incomes compared to the wider population, the DSP has a higher payment amount\(^6\) and fewer requirements for demonstrating compliance. Thus, its recipients have a higher and more secure income. This means that in income-adjusted social housing they will pay more rent. Not only this, the findings suggest that they are also more likely to stay in their tenancies. As such, there may be strong financial incentives for social housing providers to prioritise tenancies for those in receipt of DSP. However, there are moral questions about doing this. In the meantime, some social housing providers like Unison provide an important service by


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**Figure 2:** Cumulative probability of sustaining a Unison Long-Term tenancy, by gender and two age cohorts

![Cumulative probability of sustaining a Unison Long-Term tenancy, by gender and two age cohorts](https://www.humanservices.gov.au/individuals/services/centrelink/disability-support-pension/how-much-you-can-get/payment-rates)
housing people with lower and more precarious Centrelink incomes, but there is no commensurate recognition of this, and it is not likely to help their long-term viability.

Finally, in our analysis of Unison tenancy records we found that housing location mattered to tenancy sustainment, albeit not in a straightforward way. We found that the cumulative probability of sustaining a Unison tenancy was higher in some geographic areas (such as Heidelberg and Fitzroy) than in others (such as Footscray and Geelong West). Location is not a straightforward attribute, as it comprises a bundle of differences in tenant and tenancy attributes. But some of the variations in tenancy sustainment were substantial. Hence, these results cannot tell us why there are variations by location, but they can point to factors that are manifesting spatially.

In addition to these five distinct patterns found within Unison tenancy records, we noted that tenancy loss was typically highest in the first 12 months after commencement. This finding was consistent with earlier research into Unison tenancy loss (Johnson et al., 2019). This point has clear policy implications with respect to post settlement support programs to assist people to adjust to their housing: the riskiest time for tenancy breakdown is in the first year.

Although the characteristics available in a social housing tenancy management system are limited, the findings clearly indicate that there are considerable variations in the probability of tenancy sustainment. Some variations relate more to housing attributes rather than to tenant attributes, with rooming house tenancies and tenancies in some geographic areas less likely to sustain than others. Other variations relate more to tenant attributes, with tenant age, income type, and prior housing all having strong associations with different probabilities of staying in a tenancy. However, these variations in the probability of staying in a tenancy are not well recognised in existing social housing data or policy frameworks. Some social housing providers will be housing tenants who are much less likely to stay in their tenancies. As such, they will need to work harder to achieve similar outcomes to other providers, and they are also likely to be facing greater financial difficulties attributable at least
in part to the characteristics of their tenants. Even so, the social housing provider may not be aware that this is the case. Certainly, it is not easy to assess this from publicly available data.

One option to address this issue would be for social housing providers to capture more tenant characteristic data at the point of tenancy commencement. However, capturing additional tenant data would be an onerous addition to the already lengthy process of applying for and starting a social housing tenancy. Consideration of which extra data to capture would need to be carefully thought through, or else risk imposing additional requirements with minimal gain. It would also require something of a cultural shift among social housing providers, who might be reluctant to collect tenant data beyond what is traditionally associated with their role as a landlord. In short, the effort to outcome ratio of pushing for social housing providers to collect extra tenant attribute data is not obviously beneficial.

One possibility, however, would be to leverage data that is already captured in other ways. Sharing the data already held by social housing providers would go some way to addressing the issues described in this paper, especially with regards to variations in tenant age. In addition, an important point is the priority social housing applications held by the Victorian Housing Register already contain a great deal of relevant tenant information. Transferring this data to Social Housing providers on tenancy commencement would be a simple way of augmenting existing tenancy data. With relatively low data collection burdens, this would provide the opportunity to develop a better understanding of, and response to, varied tenancy sustainment probabilities.

While we are hesitant to recommend more tenant data collection and encourage a more pragmatic approach through leveraging existing VHS priority data, in our second paper we argue unreservedly for better use of existing data, and for an improved standard for measuring tenancy sustainment in social housing.

CONCLUSION

Improving tenancy sustainment outcomes is fundamental to addressing chronic housing instability, and to the long-term viability of social housing. However, current understanding of tenancy sustainment patterns in social housing is limited. This is concerning. Tenancy sustainment lies at the heart of the financial and social challenges social housing providers face, in addition to its importance to addressing homelessness.

In this paper, we have argued that current understanding of tenancy sustainment is compromised by three issues, all of which can be at least partly remedied.

First, current data on social housing tenancy patterns is limited. Looking only at ongoing tenancies can be misleading because data from exited and non-exited tenancies tends to present very different patterns. Current metrics are not well suited to understanding tenancy sustainment. Retention rates by year do not show variations in how long tenancies were sustained prior to exit, and tenancy durations are skewed by different start dates. There is a pressing need to include exited tenancies in analysis of tenancy sustainment patterns, and to better handle the differences in start dates of tenancies. Data on exited tenancies and tenancy start dates is routinely held by social housing providers and can potentially be shared and analysed to great effect.

Second, avoiding or at least reducing the number of people that leave for unfavourable reasons should be a focus of social housing providers. The current focus on evictions ignores the point that evictions are only one indicator of tenancy breakdown. A consistent, transparent exit framework applied across
the social housing sector, that distinguishes between unfavourable and favourable exits and is not restricted to formal evictions, would provide a much sounder basis for assessing exit patterns from social housing. Our research presents one approach to classifying tenancy exit reasons in practice.

Thirdly, our understanding of tenancy sustainment is limited by the paucity of available data on tenant attributes, especially when considered alongside the importance of tenant attributes to variations in tenancy sustainment probabilities. It is clear from our studies of tenancy records from Unison Housing, a large social housing provider, and from literature on tenancy patterns in different contexts, that some tenancies carry a higher probability of exiting early and unfavourably than others. But this is not recognised at a higher level. Identifying these cohorts and acknowledging that the housing providers who work with them will face greater challenges for sustaining tenancies and meeting their objectives as social housing providers, is critical to developing a more transparent and equitable social housing system.

REFERENCES


