Pathways to homelessness for people exiting custody in NSW

This Evidence Brief presents key findings from Taylor Fry's Pathways to Homelessness report about people exiting custody in New South Wales (NSW). We also discuss implications for policy and practice. By better understanding the experiences and pathways of people exiting custody, supports can be put in place earlier to improve outcomes. The analysis uses a linked dataset that includes Specialist Homelessness Services and 18 other NSW Government and Commonwealth services.

Key messages

- People leaving custody can find themselves particularly vulnerable to homelessness. Between 2011 and 2016, 1 in 8 (12%) people who left custody accessed homelessness services within a year – 20 times the rate of the wider population. The rate for Aboriginal people is double that for non-Aboriginal people.

- The likelihood that someone who left custody in the previous 12 months will access homelessness services in the next year increases further for people who leave custody and are sleeping rough – at 60 times the rate of the broader population.

- A large proportion of people exiting custody also access Legal Aid (40%) and/or appear in court (38%) between their custody exit and accessing homelessness services.

- For people exiting custody, prior homelessness service use and mental health related emergency department visits predict increased risk of later homelessness service use.

- The Taylor Fry analysis will help to identify where interventions might be most effective in reducing the risk of future homelessness for people exiting custody, and build the emerging evidence base around these. The analysis can also be used to inform the development of preventative programs, improved discharge planning and adequate post-release housing options.

Introduction

People leaving custody are particularly vulnerable to homelessness. The Department of Communities and Justice has worked with Taylor Fry to conduct a detailed investigation into the services people use before, during and after accessing homelessness services in NSW. Part of the study looked more closely at the pathways to homelessness for people exiting custody.

Communities and Justice

This Evidence Brief provides an overview of key findings and policy implications from the Pathways to Homelessness report for people exiting custody. Policymakers and practitioners are encouraged to use this as a basis for further consideration with stakeholders in their specific areas. Better understanding the experiences and pathways into homelessness for people exiting custody can help us design and implement preventative and early intervention responses to improve outcomes.

Further detailed information about the data and findings is available in the underlined full report.

Why is understanding homelessness for people exiting custody so important?

People leaving prisons have a greater risk of becoming homeless than the broader population (Conroy & Williams 2017). Of the 70,600 people in NSW who accessed Specialist Homelessness Services (SHS) in 2020–21, 2,052 had left custodial settings (Australian Institute of Health and Welfare 2021).

A recent study of homeless people who attended mental health clinics in three crisis accommodation services in inner city Sydney found that exits from government services were a primary pathway into homelessness for people who had been homeless for less than a year. Of the cohort (n=1000) who had been homeless for less than one year, recent release from prison, discharge from a psychiatric hospital, and loss of public housing tenancy were recorded for over half (54%) (Nielssen et al. 2018).

People exiting custody into homelessness have been shown to be almost twice as likely to return to prison within 9 months of release (Baldry et al. 2006). More recent research into the health and welfare of Australia's prisoners found:

- More than half (54%) of people exiting prisons in Australia expected to be homeless upon release, 44% planned to sleep in short-term or emergency accommodation, 2% planned to sleep rough, and 8% did not know where they would sleep (Australian Institute of Health and Welfare 2019).

- Lack of pre-release planning, housing instability, poor community support and pre-existing and co-occurring drug and alcohol and mental health issues can be potential risks for homelessness post-release (Conroy & Williams 2017).

- Inadequate pre-release planning and insecure temporary accommodation undermines motivation to stop reoffending. Further, ex-prisoners with complex support needs who receive public housing have better criminal justice outcomes than ex-prisoners who receive private rental assistance only, resulting in significant justice system and other related cost savings (Martin et al. 2021).

The NSW Homelessness Strategy 2018–2023 aims to tackle this growing problem, by providing targeted support to people leaving government services. This includes ensuring best practice planning for exits from government services for high risk cohorts, including people who exit custody (NSW Government 2018).

To gain a better understanding of the experiences of people who exit custody and become homeless, we also need to understand broader service use and where there are opportunities to intervene earlier. This is one of the key aims of the Pathways to Homelessness research.

How was the Pathways to Homelessness analysis designed?

The analysis undertaken by Taylor Fry examined a linked dataset that includes SHS and 18 other NSW and Commonwealth services.

The linked dataset covers 625,861 people, with a case and comparison design:

- The case cohort is 202,927 people who accessed SHS in NSW from 1 July 2011 to 30 June 2017.
- The comparison (control) group is a random sample of 422,934 people in NSW, matched for age and sex.

The dataset is large enough to be able to meaningfully talk about homelessness risk for the entire NSW population.

A range of analyses were applied to the data, including descriptive analysis, predictive modelling, pathway analysis and cost estimation. These form the basis for the findings presented in this brief. More information on the questions that guided the analysis, the data sets included and the approach undertaken is provided at the end of this brief and is available in the full report.

It is important to note that the dataset does not capture the pathways of all individuals experiencing homelessness. The Taylor Fry analysis focuses on people presenting to crisis accommodation services, and more specifically, where a person has sought assistance from an SHS provider or Temporary Accommodation (TA) (see Box 1). This is a practical decision as high-quality linkable data exists for this group.

Box 1: Definitions

Types of custody exits

For this analysis, custody exits include those from correctional centres managed by Corrections NSW as well as 24 hour police/court cell complexes.

How are homelessness services defined?

For this analysis, homelessness services include SHS and Temporary Accommodation (TA). SHS provide services aimed at prevention and early intervention, as well as crisis and post crisis assistance to support people experiencing or at risk of homelessness. Temporary Accommodation supplements SHS in providing time limited accommodation in low cost motels or caravan parks for clients who are homeless. The intention of Temporary Accommodation is to provide a bridge to give clients a chance to secure alternative accommodation, whether crisis accommodation or private rental. It is a short-term temporary measure rather than a longer-term response.

What are the types of service presentations?

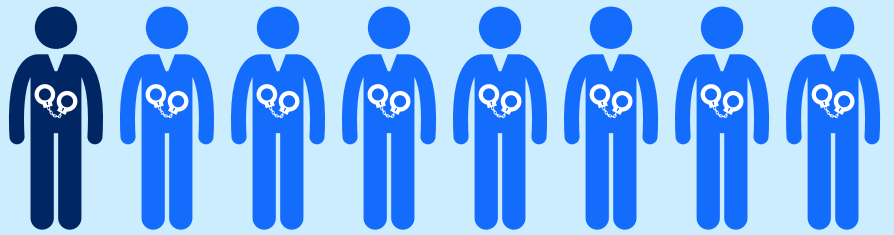People presenting to homelessness services are classified based on their housing situation:

- People with no shelter or living in an improvised/inadequate dwelling are **rough sleeping**.
- People living in short term temporary accommodation, or as a couch surfer with no tenure are **homeless**. This includes people in Temporary Accommodation, noting some may have been rough sleeping.
- People living in social housing, private housing or institutional settings are **at risk of homelessness**.

What did the analysis find?

Key findings about people exiting custody are presented in the following infographic and described more fully in the rest of this brief. Detailed data is available in the full report.

Exits from custody

1 in 8 (12%) people who left custody accessed homelessness services within a year

People exiting custody accessed a range of services between exiting custody and presenting to homelessness services

Of the **12%** of people who accessed homelessness services within a year of exiting custody:

2 in 5 had at least one court appearance

2 in 5 accessed Legal Aid

1 in 3 accessed an Emergency Department

1 in 4 accessed ambulatory mental health services

People exiting custody were more likely than the broader population to access homelessness services in the next year

Likelihood of accessing homelessness services → **32x** more likely → % of future homelessness services presentations **8%**

Likelihood of accessing homelessness services while rough sleeping → **60x** more likely → % of future homelessness services presentations **15%**

Prior homelessness service use and mental health related emergency department visits are a strong predictor of future homelessness service use

Of the total exiting custody group: → **2%** accessed homelessness services and had a mental health related ED visit in the **previous year** → **4 in 10 (44%)** were likely to access homelessness services in the **next year**

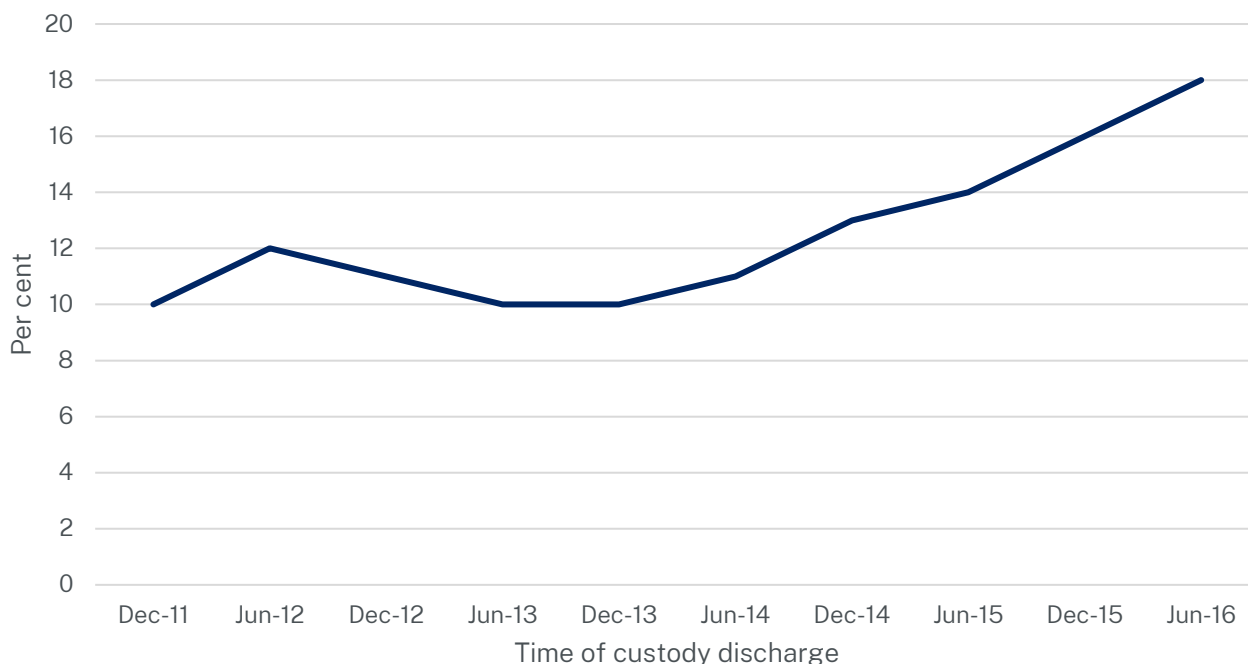## Who accesses SHS after exiting custody and what services do they use?

During the period July 2011 to June 2016, there were 140,000 exits from custody among 28,000 people. Just under half (47%) of all people exiting custody had two or more exits during this period. The majority of custody spells for males and females were less than 31 days. Females were more likely to have shorter custody spells than males. Around 35% of females spent one day in custody compared with 28% of males. Around 38% of males and 26% of females had custody spells of more than 31 days.

To avoid double counting SHS presentations, only one custody exit in the period July 2011 to June 2016 has been used in the analysis where people have had multiple exits from custody.

People who exit custody are at higher risk of accessing homelessness services

People exiting custody access SHS at over 20 times the rate of the wider NSW population. On average, of those who exited custody in the five years to June 2016, 12% accessed SHS over the following year. There has been a steady increase in SHS presentations for those exiting custody since December 2013. Between December 2011 and June 2016, the proportion of people who have accessed SHS following discharge from custody has increased by 8 percentage points, from 10% in December 2011 to 18% in June 2016 (Figure 1).

Figure 1: Proportion of people accessing SHS following an exit from custody, December 2011–June 2016
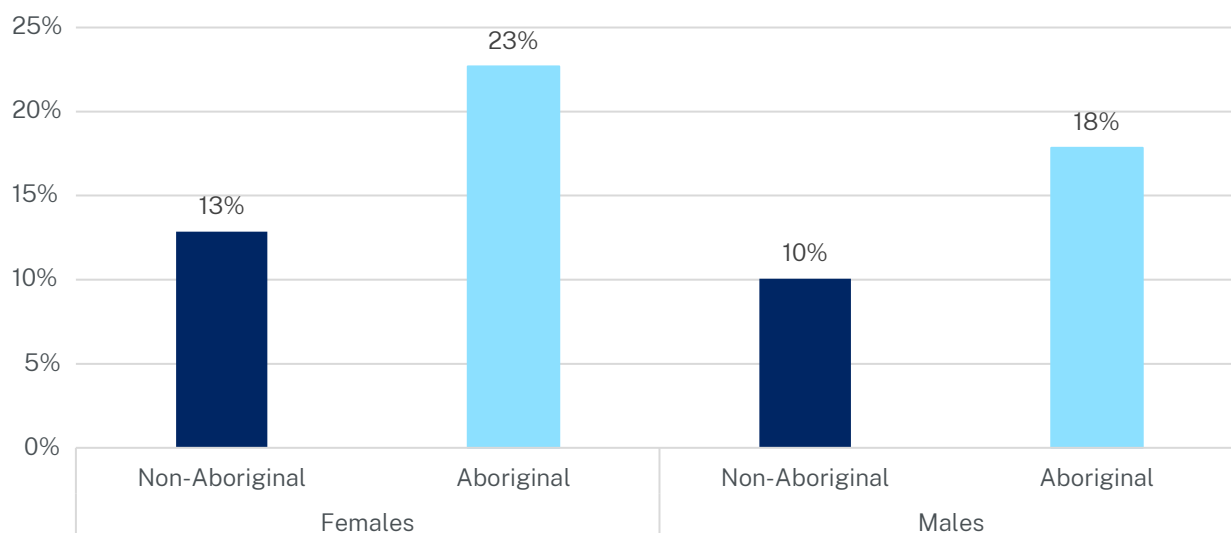

Source: Pathways to Homelessness, Figure 45

Aboriginal people are more likely to access homelessness services after exiting custody

The rates of homelessness service access are higher for both Aboriginal males and females compared with non-Aboriginal people exiting custody. While females make up a very small proportion of those with custodial sentences, the proportion who receive SHS support in the year following discharge is higher than for males (Figure 2).

Figure 2: Rates of SHS access following custody exit, by sex and Aboriginality, December 2011– June 2016
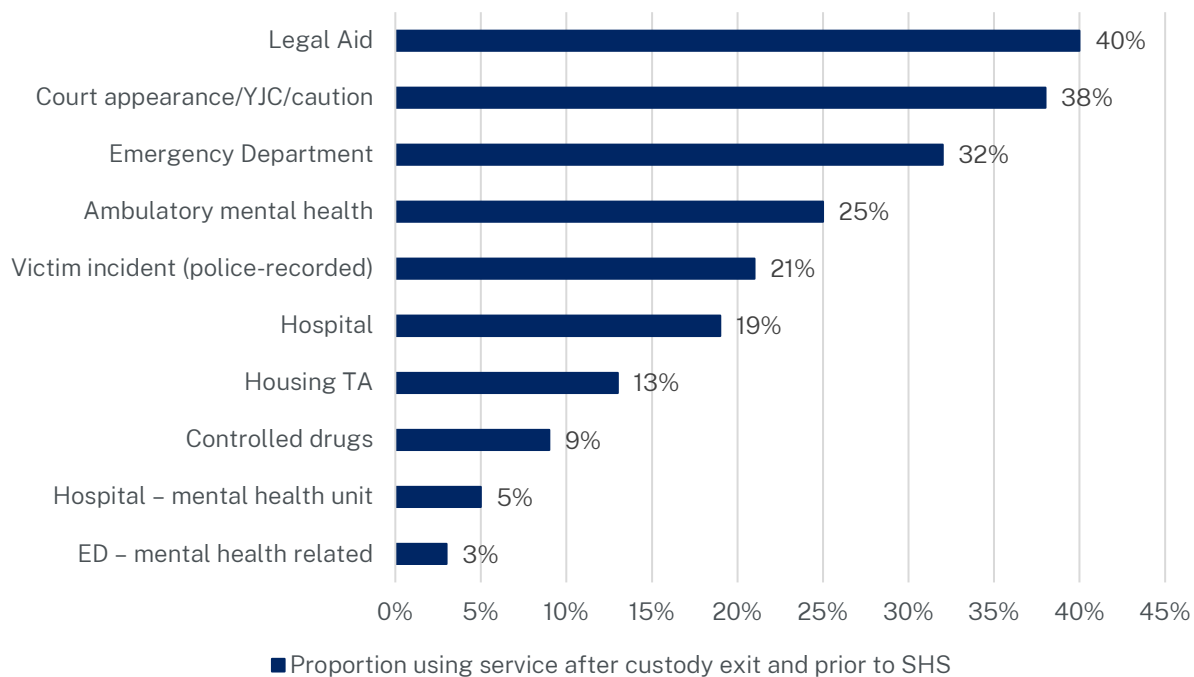

Source: Pathways to Homelessness, Figure 45

More than a third of people exiting custody accessed Legal Aid and/or had a court appearance before they accessed SHS

For the 12% of people who accessed SHS within a year of exiting custody, this group also accessed a range of services between exiting custody and presenting to SHS:

- 40% accessed Legal Aid
- 38% had at least one court appearance (or YJC/caution)
- 32% accessed an Emergency Department
- 25% accessed ambulatory mental health services (Figure 3).

This likely reflects the ongoing engagement of this cohort with the criminal justice system and the 'reciprocal' nature of the risks of homelessness and recidivism for this cohort that have been noted in the research literature (Conroy & Williams 2017).

Figure 3: Services used between custody exit and SHS presentation and presenting to SHS within one year, December 2011–June 2016

Source: Pathways to Homelessness, Table 50

What are the potential early intervention points for people exiting custody?

Custody exits are a strong potential early intervention point, particularly for people sleeping rough

To determine potential homelessness intervention points, the analysis looks at other government services people used in the year before accessing homelessness services based on six years of data to June 2017. Table 1 looks at the **risk uplift** (likelihood of accessing homelessness services) and **coverage** of presentations to homelessness services for people exiting custody.

An ideal opportunity for intervention is a service with high risk uplift (so prevention is well targeted) and high coverage (so a greater number of people are helped). The analysis also considers the reduction in costs that could potentially come from an effective intervention. The costs compare average 3-year costs for an individual who accesses a given service and then homelessness services to those who access the given service and do not access homelessness services.

Table 1 shows that when a custody spell has ended in the previous 12 months, people are between 14 and 60 times more likely (risk uplift) to access homelessness services in the next year. An intervention targeting these people would only reach between 4% and 15% (coverage) of future presentations to homelessness services. The additional costs across NSW Government services for people who exit custody and later go on to access homelessness services are significant. Compared to people who exit custody but do not access homelessness services, the costs for those that do access homelessness services are $48,000 higher per person over three years, $42,000 higher for presentations by young people and $39,000 higher for those accessing homelessness services while rough sleeping. These costs represent the potential cost savings from an effective intervention that prevents people from accessing homelessness services in the future. Based on these findings, custody exits are a strong potential early intervention point, particularly for people sleeping rough.

Table 1: Likelihood of any presentations, new cases, rough sleeper presentations and presentations by young people to homelessness services when exiting custody in the previous 12 months

	Risk uplift	Coverage	Additional 3-yr costs across NSW govt.
Any presentations	x32	8%	$48k
New cases	x17	4%	na
Rough sleeping presentations	x60	15%	$39k
Presentations by young people (16-24 years)	x14	8%	$42k

Note: Risk uplift and coverage is based on homelessness service use in the six years to June 2017. Risk uplift is based on the NSW population baseline rate of 0.73% p.a for any presentations, 0.55% p.a for new presentations, 0.06% p.a for people sleeping rough and 1.5% p.a for young people. 'New cases' are new homelessness presentations where there has been no homelessness support in the previous 3 years. Costs to NSW Government are based on homelessness service use in the three years to June 2014 however, costs have been inflated to 30 June 2020 values.
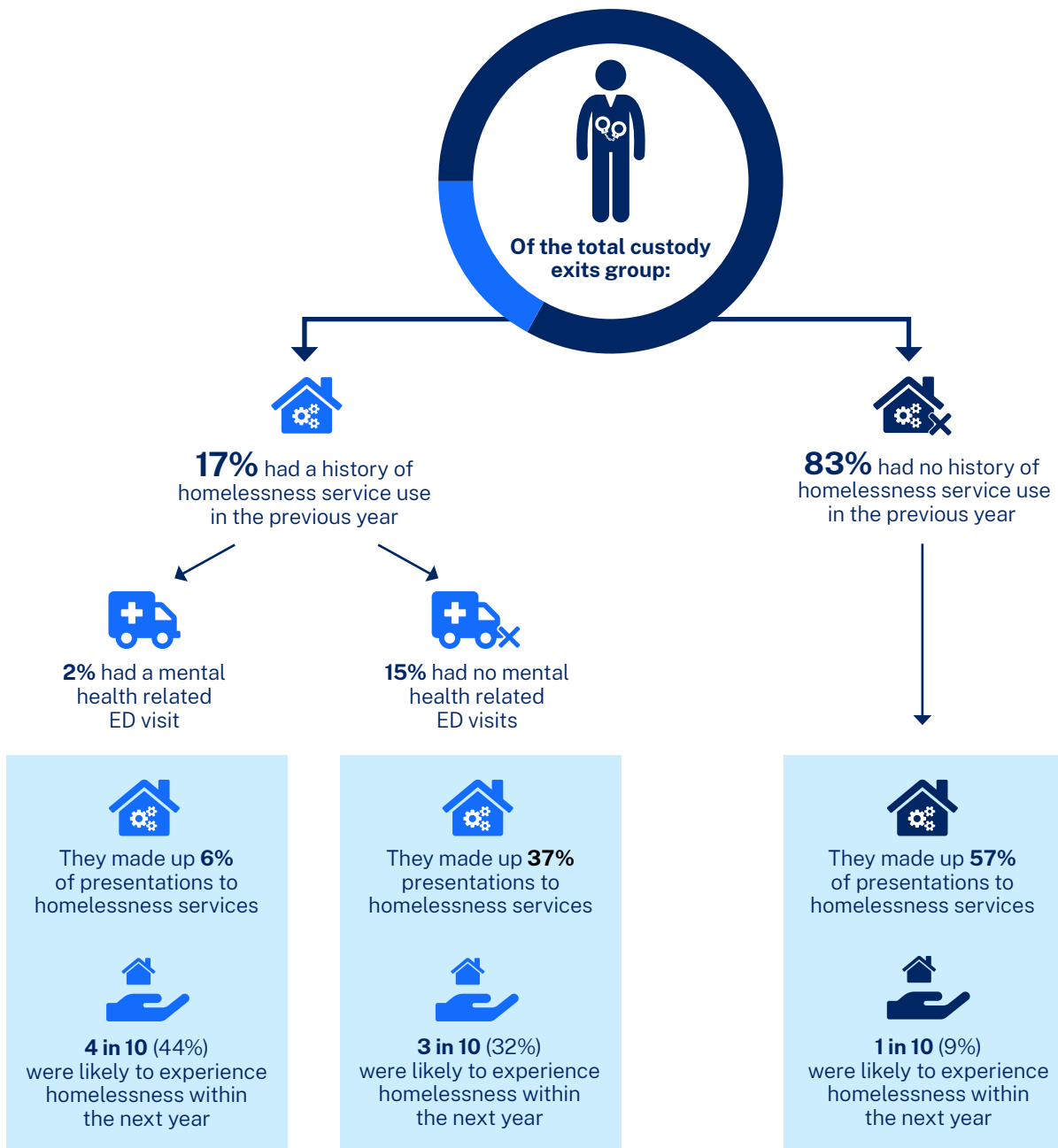
Source: Pathways to Homelessness, Tables 30, 31 and 32

For people exiting custody, prior homelessness service use and mental health related emergency department visits predict future use of homelessness services

We can also use other service use information to help predict future presentations to homelessness services. Figure 4 shows that prior homelessness service use and mental health related Emergency Department visits are strongly predictive that someone who has exited custody will require further support. We see that among the group who had recently exited custody:

- There is a relatively low risk of SHS presentation for non-Aboriginal males without recent homelessness service use or ambulatory mental health service use (5%). While previous homelessness service use is strongly predictive that someone will require further support.

- Mental health service use indicates a higher rate of future homelessness service access, confirming an important interaction between homelessness and mental health for this group. While only 2% of people who exited custody accessed homelessness services and had a mental health related Emergency Department visit in the past year, 44% of this group were likely to access a homelessness service in the following year.

- Of the 15% of people who exited custody and accessed homelessness services but have not had an Emergency Department (mental health) visit in the previous year, 3 in 10 (32%) were likely to require further support from homelessness services in the next year.

- This compares to 83% who had no prior homelessness service usage in the past year, of which only 9% were likely to access a homelessness service in the following year.

Figure 4: Example segmentation of future homelessness services presentations for people exiting custody, July 2012 to June 2016

Of the total custody exits group:

17% had a history of homelessness service use in the previous year

83% had no history of homelessness service use in the previous year

2% had a mental health related ED visit

15% had no mental health related ED visits

They made up **6%** of presentations to homelessness services

4 in 10 (44%) were likely to experience homelessness within the next year

They made up **37%** presentations to homelessness services

3 in 10 (32%) were likely to experience homelessness within the next year

They made up **57%** of presentations to homelessness services

1 in 10 (9%) were likely to experience homelessness within the next year

Source: Pathways to Homelessness, Table 51

What do these findings mean for policy and practice?

Preventing exits from government services into homelessness is a priority

A recent study by the Australian Housing and Urban Research Institute (AHURI) (Duff et al. 2022) sought to develop policy directions for enhancing housing supports for people leaving a range of institutional settings including custody. The study used linked administrative data from Victorian and NSW Government agencies as well as qualitative interviews with stakeholders and service users. Key findings from the study point to a number of improvements including:

- The Housing First model could be used as a guide to enable more effective coordination of discharge planning, transition planning and post-exit support for people leaving institutional settings.

- There is variation in the ways housing issues are managed as well as significant gaps in how services are delivered. Greater integration of housing supports within and across the housing, corrections and youth justice, out-of-home care, mental health and substance use treatment sectors is needed.

- There is evidence that service coordination roles can effectively promote service integration and emerging evidence that service coordination roles should draw on the lived experience of service users to guide this work (Duff et al. 2022).

Preventing exits from government services into homelessness is critical to reducing the risk and incidence of homelessness across NSW. As the Pathways to Homelessness research findings demonstrate, people exiting custody experience unpredictable exit pathways that significantly increase their risk of homelessness. With no single agency able to address the full range of multiple and complex needs that these individuals may be experiencing, an integrated approach and effective working partnerships between government services to supporting this high risk cohort are critical in preventing exits to homelessness.[1]

As the Taylor Fry analysis suggests, the ending of a custody spell increases the risk of accessing homelessness services in the next year by 14 times for presentations by young people and 60 times for those sleeping rough. Compared with people who exit custody but do not access homelessness services, the additional costs across NSW Government services over three years for those who access homelessness services after exiting custody are between $39,000 and $48,000. This points to the importance of preventative programs, better discharge planning and adequate post-release housing options including access to social housing for those exiting custody. Preventing exits into homelessness from custody will not only improve outcomes for people but will also result in considerable cost savings across NSW Government services.

There is an emerging evidence-base about interventions to prevent exits from custody into homelessness

In 2017, the NSW Department of Communities and Justice commissioned the Homelessness at Transition: Evidence Check by Dr Elizabeth Conroy and Dr Megan Williams. The purpose of this evidence check was to identify the risk factors for homelessness among people leaving government services and the interventions found to be effective in addressing this risk. The Evidence Check shows there is promising evidence for some interventions, although the strength of the evidence is low (Conroy & Williams 2017). For people leaving prison, there is some evidence that offender re-entry programs offering case management to prisoners before and after their release from prison may improve protective factors for homelessness including greater residential stability, employment and social support and reductions in recidivism (Conroy & Williams 2017).

Greater consistency in measurement and reporting, improved data collection systems and investment in more appropriately designed and rigorous studies would help to improve the evidence-base (Conroy & Williams 2017).

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[1] See NSW Department of Communities and Justice 2020, No Exits from Government Services into Homelessness Framework for further information. Available at: https://www.facs.nsw.gov.au/download?file=326055.

Conclusion

The analysis provides critical information about early intervention and potential intervention points to prevent people from leaving custody and entering the homelessness service system. The analysis highlights the need for appropriate discharge planning and post discharge follow up for people leaving custody and improving access to social housing for people before and after they exit government services.

The analysis also highlights the importance of further research and improved data systems to collect, coordinate and use data and research to build the evidence-base and to determine the most effective responses to prevent people from entering the homelessness service system after leaving custody

About the Pathways to Homelessness report

Pathways to Homelessness is a key action under the 2018 *NSW Homelessness Strategy* to improve the evidence base for early intervention and prevention for people at risk of homelessness.

The project focused on four key research questions:

1. For people requiring homelessness support, which other government services have they used before?

2. For people using other government services, how likely are they to require homelessness support?

3. Among the people identified, what other risk factors affect their likelihood of using homelessness services?

4. How do government service use costs differ for people requiring homelessness services?

The dataset comprised SHS and Temporary Accommodation data plus 15 other linked NSW Government and 3 Commonwealth Government health and welfare datasets including Centrelink data, Medicare service information, Pharmaceutical Benefit Scheme data, hospital stays; Emergency Department visits; registered births and deaths; ambulatory mental health; ambulance callouts; Controlled Drugs of Addiction; social housing; Temporary Accommodation; private rental subsidy/assistance; out-of-home care; police-recorded victim incidents; Legal Aid; Court appearances; time in custody; and educational attainment. The study cohort comprised 625,861 people.

The analysis used a combination of methods:

- descriptive statistics to understand the key characteristics of homelessness presentations over the six-year period to 30 June 2017

- predictive modelling to identify people with a high likelihood of accessing homelessness services in the future, and associated risk factors to support intervention

- two-way pathway analysis, which looks at homelessness presentations that follow other service use, to identify potential intervention points and estimate the elevated costs across government for people experiencing or at risk of homelessness

- additional analysis on vulnerable cohorts, including financial hardship, mental health conditions, substance use, DFV, exiting custody, and leaving out-of-home care (OOHC).

You can access the full report on the Department of Communities and Justice website.

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