

## Five key elements of Journey to Social Inclusion (J2SI)

J2SI is a program that is proven by research to reduce homelessness by providing housing and three years of support to eligible people who have a history of chronic homelessness.

J2SI provides clients with:

1. Assertive case management and service coordination
2. Rapid access to housing and support to maintain tenancy
3. Trauma-informed care in recognition of the events that have shaped people's lives
4. Progressive skills development for social and economic inclusion
5. The capacity for self-management and independent living



## History of J2SI

J2SI has been running for over 10 years and has been piloted, refined, researched and improved in both the way it is delivered and how it is funded.

- The J2SI Pilot was delivered in 2009–2012 to 40 clients in St Kilda, evaluated against a randomised control trial group using conventional services
- J2SI Phase Two, delivered from 2016–2019 to 60 clients across Melbourne, was evaluated again against a randomised control trial group using conventional services
- J2SI Phase Three, delivered in Melbourne from 2018–2023 to 180 people and from 2021–2025 to 120 people, under two different forms of payment-by-results contracts

## Outcomes for clients

- 85% of J2SI Pilot clients were in housing versus the control group at 41% after three years of service delivery. At the end of Phase Two, 82% of clients remained housed (J2SI data)
- J2SI Pilot clients reported substantial improvements in their physical and mental health, with an 80% decline in average use of emergency hospital services
- On average, nights spent in hospital reduced by 50% for J2SI Phase Two clients and increased by 100% for the control group
- An increased use of employment services and willingness to work during service delivery occurred in the Pilot and Phase Two
- A consistent improvement in perceived social support and acceptance – two key indicators used to measure social inclusion
- The first six outcome measures of Phase Three have shown 90% of participants in stable housing and hospital bed use reduced by 60%, resulting in 11 outperformance and one above target outcome payments.

## Outcomes for government and community

- J2SI reduces a person's use of government-funded health, homelessness and justice systems by empowering them to be economically and personally self-reliant and experience better health
- J2SI Phase Two created differential savings to government of \$1.84 for every \$1 spent on the program
- Some positive impacts as estimated by government for 180 clients are:
  - 9,300 fewer days in crisis accommodation over the four-year measurement period
  - 1,200 fewer days spent in hospital beds over the four-year measurement period
  - 900 fewer nights spent in mental health beds over the four-year measurement period post-referral
  - 1,200 fewer interactions with police across the four-year measurement period

## Funding mechanisms

J2SI Phase Three is funded for 180 clients through a payment-by-results contract with government and a Social Impact Investment (SII).

The funding for a further 120 clients is also a payment-by-results contract but with no external investment required given the results being achieved.

This enables government payments based on agreed social outcomes, such as people staying housed and lowered use of healthcare services.

The SII involves low-cost debt underwritten by philanthropy. The debt assures cash flow throughout service delivery and philanthropy both reduces the cost of the debt and guarantees repayments in the case of outcomes not being delivered.

This is a significantly lower cost structure than traditional Social Impact Bonds, thus optimising cost benefits to government and increased positive outcomes for J2SI clients.

The soundness of this financing structure as a sustainable funding model for J2SI is due to the program's capacity to deliver outcomes that successfully break the cycle of homelessness and disadvantage for individuals and families.



## J2SI beyond Victoria and at scale

In 2019, Sacred Heart Mission set up the J2SI Evaluation and Learning Centre (ELC). The purpose of the ELC is to license the delivery and funding mechanism of J2SI to service organisations around Australia and to support the program to develop and improve through a community of practice.

The J2SI ELC will enable sustainable and successful replication of J2SI in communities across Australia where there is a critical mass of people experiencing chronic homelessness. By replicating J2SI's service and funding model, the ELC will develop an evidence base of the ways J2SI can generate real systems change and break the cycle of chronic homelessness across Australia.

Based on areas of need, the ELC is developing modifications of J2SI for different cohorts – from single adults aged 25 to 65 to young adults (18 to 40 year olds) and young mothers with children in and out of care.

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To learn more visit: [sacredheartmission.org/j2si](https://sacredheartmission.org/j2si)

