



**JOURNEYTM
TO SOCIAL
INCLUSION**

**J2SI Evaluation and Learning
Centre Information Pack for
Licensees**

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Journey to Social Inclusion (J2SI)

J2SI is a program which has proven by research undertaken over 12 years that to reduce chronic homelessness, housing and long-term support are fundamental. J2SI is a model of care and support for people whose homelessness experience is long-term and chronic.

Delivered over three years, J2SI provides clients with:

- Intensive, assertive case management and service co-ordination
- Rapid access to housing and support to maintain tenancy
- Trauma-informed care in recognition of the events that have shaped clients' lives
- Progressive skills development for social and economic inclusion
- The capacity for self-management and independent living.

J2SI clients have among the highest rates of drug and alcohol abuse, physical and mental health conditions in our community, with three-quarters reporting three or more chronic physical or mental health conditions. They are the people who rely most on the service system, resulting in a high cost to government and the community.

The three years of J2SI service delivery focuses on five interrelated service outcome domains: sustained housing, social participation, economic participation, health & wellbeing, and independence. J2SI leverages the current service system to deliver the program. Clients are supported to increase their independence, build social and economic strengths, address the adverse impact of drug and alcohol use on personal outcomes, build pathways to employment and social participation and sustain their housing.

J2SI supports the individual to end the cycle of chronic homelessness, and as a result reduces the high associated cost to the health, homelessness and justice systems.

J2SI Evidence

Over the 14-year life span of the J2SI program, the program has evolved continually with each cohort into the program to ensure we are driving change and the delivery of outcomes as efficiently and effectively as possible.

J2SI is now in its third phase of delivery, with each building on the success and learnings of the previous program:

- J2SI Pilot, delivered 2009-2012 to 40 clients, evaluated against a randomised control trial group using conventional services
- J2SI Phase II, delivered 2016-2019 to 60 clients, evaluated against a randomised control trial group using conventional services
- J2SI Phase III, which commenced delivery in 2018 under a Victorian Government Social Impact Investment (SII), being delivered to yearly intakes over three consecutive years of 60 clients each (180 in total)
- J2SI Phase III extension, with funding for two additional intakes (2021 and 2022) announced in the 2021-22 Victorian budget, to be structured as a Payment by Results (PbR)

At the conclusion of the J2SI Pilot, 85% of J2SI clients were in independent housing versus 41% in the control group. Of the 88% of J2SI clients in Phase II provided with permanent housing, 82% remained housed. For the SII, 96% of cohort 1 were in stable housing as support ceased at the end of year 3, with 92% one year later.

Pilot Results

In 2015 the Sustaining Exits from Long-term Homelessness report¹ completed by research partners RMIT University and Melbourne University examined the 48-month outcomes of J2SI. This data concluded that J2SI demonstrates that breaking the cycle of long-term homelessness is possible and that intensive support coupled with stable housing can reduce demand on expensive health, justice, and welfare services.

At 48 months, 12 months after the cessation of support, 75% of J2SI Pilot clients remained housed, and whilst this was a slight decline from the 36-month findings of 85%, housing outcomes achieved through the J2SI program remain comparable with the best results reported by homelessness program globally.

J2SI Pilot clients reported substantial improvements in their physical and mental health, including an 80% decline in average use of emergency hospital services and a decline in average use of emergency psychiatric assistance. In addition to housing and health outcomes, the J2SI evaluation further demonstrated:

- a continued decline in the number of days J2SI Pilot clients were incarcerated
- an increased use of employment services & willingness to work during service delivery
- a consistent improvement in perceived social support and acceptance (social inclusion key indicators).

Phase 2 Results

In 2020 the Chronic Homelessness in Melbourne: Third-Year Outcomes of the J2SI Phase 2 Study Participants report² completed by research partners Centre for Social Impact at University of Western Australia (CSI UWA) and Swinburne University of Technology examined the 36-month outcomes of J2SI. This report concluded participants receiving support from the J2SI Phase 2 program reported markedly improved outcomes, both relative to their baseline outcomes and the outcomes of the control group, with regard to their housing, drug and alcohol use, and hospital use.

On average nights spent in hospital reduced by 50% for the J2SI clients and increased by 100% for the control group. The number of J2SI clients reporting they had not used illicit substances in the previous three months increased by 160% compared to the start of the program. Nights required in drug and alcohol rehabilitation facilities fell by 67% for J2SI clients. In addition to housing and health outcomes, the J2SI evaluation further demonstrated:

- J2SI clients reported they were stopped by the police an average of 2.38 times (in the 12 months prior to the final survey) compared to 5.75 times for the control group.
- the percentage of J2SI clients in the labour force increased by 100% over the course of the program
- the percentage of J2SI clients able to work and looking for work increased by 67% over the 3 years.

1 <https://www.sacredheartmission.org/docman/publications/26-publications-sustaining-exits-from-long-term-homelessness-48-month-evaluation-2015/file>

2 <https://www.sacredheartmission.org/docman/publications/329-j2si-phase-two-final-year-outcomes-quantitative-report/file>,
<https://www.sacredheartmission.org/docman/publications/332-j2si-phase-two-final-year-outcomes-snapshot-report/file>

Phase 3 Results (to August 2022)

Two outcome payments are calculated by the Victorian Government using data from the Centre for Victorian Data Linkage (CVDL) for the intervention group, analysis from CSI UWA for Phase II for the control group and independently certified by Deloitte. The results for J2SI clients to 31 July in 2020, 2021 and 2022 were:

	% in stable housing	% reduction in hospital bed days compared to year before J2SI
Cohort 1 Year 2	93%	62%
Cohort 1 Year 3	96%	53%
Cohort 1 Year 4	92%	47%
Cohort 2 Year 2	81%	53%
Cohort 2 Year 3	85%	75%
Cohort 3 Year 2	93%	73%

Phase 3 Extension to Payment by Results Structure

The 2021-22 Victorian Budget includes funding for two additional cohorts of 60 clients, recognising the results being achieved by the J2SI SII.

Tackling rough sleeping

Funding is provided to the Journey to Social Inclusion program, delivered by Sacred Heart Mission, to provide intensive wrap-around support and services including head-leased properties to people facing long-term homelessness. The program also provides clients with support to sustain their housing, gain training and employment and establish stronger social connections.

In his Budget speech, the Victorian Treasurer mentioned J2SI results from Phases II and III.

One example is the Tackling Rough Sleeping Initiative, which prevents people at high risk of rough sleeping from falling into chronic homelessness. This program helps with housing, training, employment and improving social connections – all of which reduce pressure on other acute services such as hospitals and police. It's an approach which improves lives and saves money, offering an expected return of \$1.84 for every \$1 invested – that's a brilliant use of public funds. It's an approach that links investment to measurable impacts – it's common sense in action.

The Budget Papers also referred to the J2SI SII results above:

The Government has invested in programs such as Partnerships Addressing Disadvantage (PADs) that show early intervention can achieve sustained results. For example, the Journey to Social Inclusion (J2SI) PAD is an early intervention program that helps previously homeless Victorians maintain stable housing and minimise their use of emergency hospital services. Results from the first outcomes measurement of the J2SI PAD showed that 92.9 per cent of program participants were in stable housing. The J2SI cohort have also reduced their hospital bed use by 62 per cent. These results indicate an excellent level of program achievement and, if replicated across the program length, would deliver \$28 million in avoided costs.

The funding structure for the cohorts commencing in 2021 and 2022 will be a PbR structure. The outcome measures will be the same as in the J2SI SII but less of the program costs will be at risk given the results being delivered. External investment will therefore not be required.

Savings to Government

The magnitude of costs to the community of people experiencing chronic homelessness is high, ranging from an estimated \$40,600 to \$51,600 per person per year. Estimated savings to government from J2SI are due to the reduced utilisation in health, justice and specialist homelessness services.

Pilot Savings

Through J2SI, clients are empowered to be more economically and personally self-reliant and experience better health. Together, these outcomes significantly reduce a person's use of government-funded health, homelessness and justice systems in the community. The 2015 Sustaining Exits from Long-term Homelessness report concluded that after 48 months, the J2SI Pilot delivered savings to Government of approximately \$35,000 per client.

Phase 2 Savings

At the start of a J2SI program, clients are people experiencing long-term, chronic homelessness with high need of the service system. For Phase 2 delivery of J2SI, over one third had been admitted to hospital in the prior 12 months, averaging 13 nights in hospital. Other overnight stays included a mental health facility (12.8%, averaging 18.6 nights) and alcohol and other drugs detoxification or rehabilitation facility (19.5%, averaging 79.3 nights).

In 2020 the Chronic Homelessness in Melbourne: Third-Year Outcomes of the J2SI Phase 2 Study Participants report considered the cost of service delivery (J2SI and services as usual) and participants' self-reported change in health and justice services.

J2SI program costs aside, the combined health and justice cost savings are estimated at \$32,293 per J2SI client. Taking into account J2SI program costs, it is estimated that for every \$1 invested in the J2SI program, \$0.52 is returned in health and justice cost savings.

The combined health and justice cost costs are estimated at \$66,335 per control group participant. Taking account J2SI program costs and the cost of treatment as usual, the cost benefit analysis estimated that for every \$1 invested in the J2SI program in Phase 2, \$1.84 is returned in health and justice cost savings compared to the control group.

SII Savings

As calculated by the Victorian Department Treasury and Finance (DTF), at target performance, some of the positive impacts (for 180 clients) are expected to be:

- 9,300 fewer days in supported short and medium-term accommodation over the four-year measurement period post-referral
- 1,200 fewer days spent in hospital beds over the four-year measurement period post-referral
- 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 post-referral³

J2SI delivers long-term, sustainable savings to Government by addressing the issues underlying chronic homelessness instead of providing a temporary solution to a complex problem.

³ <http://www.dtf.vic.gov.au/sites/default/files/2018-01/Social-Impact-Bond-Journey-to-Social-Inclusion-Glossy.docx>

J2SI and Social Impact Investments

The J2SI program is intended to be funded by a payment by results contract, which could be financed by a Social Impact Investment (SII).

SIIs intentionally target specific social or environmental objectives along with a financial return and then measure the achievement of both the objectives and the return. SIIs may bring together capital and expertise from the public, private and not-for-profit sectors to achieve the objective, and can be grouped into three broad categories:

- Social enterprise
- Physical assets
- Payment by results (Social Impact Bonds)

The J2SI program has been funded under a SII model that includes a payment by results contract, low cost debt to provide cash flow throughout the transaction and several philanthropists who guarantee this debt in the case of outcomes not being delivered. This financing structure includes payments from government based on agreed achieved social outcomes, such as people staying housed and a lower use of healthcare services. The model is a significantly lower cost structure than traditional social impact bonds thus optimising cost benefits to government and positive outcomes for J2SI clients. At Target performance, government pays 9% more under a traditional SIB than this guarantee and low-cost debt financing model.

The soundness of the social finance model as a sustainable funding source for J2SI is due to the program's capacity to successfully break the cycle of homelessness and disadvantage for individuals and families and the use of philanthropy to underwrite low cost debt.

The J2SI Evaluation and Learning Centre (J2SI ELC)

J2SI ELC is an entity set up by Sacred Heart Mission to license the methodology of delivering the J2SI program and the funding mechanism. It will also enable the continuous improvement of the J2SI program and funding model through a measurement and evaluation framework and community of practice.

J2SI ELC has been established to:

- Sustainably and successfully enable the replication of J2SI in communities across Australia where there is a critical mass of people experiencing chronic homelessness
- Continuously improve J2SI service delivery and funding mechanisms through monitoring, evaluation and updates of the program
- Contribute to best practice in delivering services to people experiencing chronic homelessness
- Contribute to an evidence base of effective programs which break the cycle of chronic homelessness in Australia
- Facilitate system change in Australia in addressing chronic homelessness
- Modify J2SI for delivery to specific cohorts identified as having the highest need in particular locations, for example young people and young mothers with children in and out of care (young families)

J2SI ELC will work towards achieving these objectives by:

- Providing homelessness service providers who enter into a licence agreement access to tools, training and consultancy to assist them to obtain funding for and to deliver a J2SI program in their region

- Saving licensees the cost of developing the funding and service models themselves
- Delivering a measured reduction in chronic homelessness in the region in which the tools and training are implemented
- Implementing a Continuous Improvement Process to monitor, improve, and update its services based on learnings from an evidence and evaluation framework
- Being a change agent in providing evidence to drive systems change in the way in which the community responds to addressing chronic homelessness

Modifications for Different Cohorts

J2SI as developed and delivered in Victoria has supported single adults aged 25 to 65 who were experiencing chronic homelessness

- had been sleeping rough continuously for a minimum of one year and are identified as being homeless; and/or
- had experienced three or more episodes of homelessness over the previous three year period.

The J2SI ELC has worked with local service providers and Centre for Social Impact at University of Western Australia to modify J2SI to meet local demand and service gaps.

J2SI for young people will support

- people experiencing chronic homelessness aged between the ages of 18 and 40 who
- have been sleeping rough continuously for more than a year, or are currently homeless with 3 or more episodes of homelessness within 3 years
- are receiving some level of case management response from key SHS services
- who experience homelessness and complexity in significant mental and physical health issues, have experienced trauma from childhood and through homelessness, and have been engaged with the justice system.

Given the younger cohort, more savings are expected from reduced use of the justice system. Health. Greater focus on workforce participation. Prevent chronic health conditions.

J2SI for young families will support

- mothers in the J2SI young families program - aged under 30, have one or more children (whether in their legal care or not at the time of recruitment), be homeless or at risk of homelessness, be largely dependent on income support payments and experiencing disadvantage in one or more domains across health, mental health, social inclusion, substance use, educational attainment, and economic participation.
- More specialists embedded in teams (children, justice, workforce, indigenous)
- 2.5 children on average per family
- Savings in child protection and welfare dependency in addition to health, homelessness and justice

How the J2SI ELC Will Support Licensees

As a licensee you will be supported by J2SI ELC during every stage of the J2SI program lifecycle:

- Obtaining an internal understanding of J2SI and Social Impact Investments and what is involved in running these effectively
- Assistance in responding to a government request for proposals targeting homelessness including access to the J2SI financial model
- Assistance in responding to government queries regarding your proposal
- Assistance during your negotiation with government including sample financial and contractual agreements
- Provision of a sample pitch document that can be used with investors as well as sample due diligence questions and answers
- Provision of the J2SI service model broken into its constituent parts, staff and recruitment position descriptions and guide, J2SI measurement and evaluation tool and guide, and training for your J2SI staff
- Support for your J2SI delivery team through involvement in the J2SI community of practice and regular program evaluations

Measurement and Evaluation Framework

The J2SI program has evolved and improved with each delivery of the program. The same focus on continually improving and evaluating the model has been built into the ELC with the Measurement and Evaluation framework by

- Continually improving and updating the J2SI model to ensure J2SI is driving optimum results and drawing on learnings from each licensee's program delivery; and
- Gathering a large, robust data set nationally to demonstrate the impact of J2SI in reducing chronic homelessness and the associated savings to government

Three sets of data will be gathered by J2SI ELC to monitor the delivery of J2SI – payment outcomes, core J2SI metrics, and client outcomes.

Payment Outcomes

It is expected that each J2SI program will be funded by a SII (as described on page 5). For each SII, there will be agreed Payment Outcomes which will be used to assess the success of the J2SI program and determine the payments to be made.

The agreed outcomes will likely vary by state or territory, depending on the priorities and challenges experienced in that area. As an example, the Payment Outcomes for the SII in Victoria are calculated against Housing and Health metrics. Support to collect this information will be provided by J2SI ELC.

J2SI Metrics

For the purposes of evaluating the success of the J2SI nationally, it is important to develop a consistent set of data across all licensees operating in all states and territories. This is particularly important where the metrics in the Payment Outcomes above may vary by licensee and so will not provide comparative, like for like data.

To develop a consistent data set, J2SI ELC will be gathering data across six areas which have been identified as key for measuring success of the J2SI program:

- Housing
- Health and Well-being
- Independence
- Social Inclusion
- Independence
- Justice

Where possible, one core metric linked to government data will be used for these outcome areas. For example, the metric for Health and Well-being will be measured against the number of hospital bed days, as provided by linked government data.

Licensees will also track progress against these outcome areas throughout the program. This, combined with the linked data where available, will provide a robust, consistent data set across all states and territories where J2SI is being delivered. The impact of J2SI will be assessed using clients' linked government data from the three years prior to the program as the counterfactual in order to track changes in these outcome areas over time.

Client Outcomes

Client outcomes will be collected using a purpose-built tool, Trauma-Informed Client Support Planning and Outcomes Tool (TICSPOT), which is embedded in the J2SI case management framework. TICSPOT tracks client outcomes across the five key outcomes of the J2SI service model. These reflect the core J2SI metrics outlined above, excluding justice.

These five interrelated outcome areas represent the social determinants of wellbeing that are critical to maintaining safe and appropriate housing and therefore ending the cycle of long-term homelessness. The TICSPOT survey is designed to collect outcomes information in the context of the case management relationship. This is supported by an integrated Trauma-Informed Case Management Framework, which has been designed to consider client experience of the survey and ensure the tool is administered from a strength-based perspective.

The data collected through TICSPOT will be compared to and validated against the linked government data collected against the core J2SI metrics. This enables J2SI ELC to ensure the J2SI program prioritises the clients' own experiences and perceptions of their progress alongside the results evidenced by government data.

TICSPOT gives a real-time evaluation of an individual's current situation. This can be used to identify where greater/different interventions may be required and improve the effectiveness of J2SI.

Community of Practice

J2SI ELC will establish a Community of Practice for all licensees of J2SI which will be used to feedback licensee experiences. Licensees will share experiences, develop best practice and drive innovation for the joint cause of reducing chronic homelessness.

The Core Objective of the Community of Practice is for licensees to collaborate as partners to gather a communal set of data, outcomes, challenges and best practice methodologies to continually improve the J2SI service model.

Appendix A: The People Behind J2SI

Stephen Schmidtke

Deputy CEO since 2022

Prior to taking responsibility for Client Services as Executive Director, Stephen had been working as the General Manager for Aged Care Services at Sacred Heart Mission from the beginning of 2012, responsible for the hostels and in-home support services. He has been working in the health and welfare sector for the past 26 years, of which his previous position was General Manager Primary Health at a Community Health Service. As well as holding paid positions, Stephen has held a number of voluntary board positions and participated in national and regional networks. He has recently commenced as a director on the Board of Council to Homeless Persons.

Stephen holds a Bachelor of Human Services from Monash University and a Master of Clinical Family Therapy from La Trobe University, The Bouverie Centre.

Leanne Lewis

General Manager, People and Strategy since 2014

Leanne practiced as a Social Worker in clinical mental health for almost 20 years before completing an MBA and moving into the homelessness service sector in 2012. As General Manager of People and Strategy, Leanne is responsible for leading the people and culture, strategic projects and research and evaluation teams. Over her career, Leanne has been involved in the development of a range of services which has led to her strong interest in measuring program outcomes via robust evaluation frameworks. Leanne is passionate about outcome measurement that is meaningful and useful for the consumer whilst building an evidence base of effective interventions that contribute to ending long term homelessness and disadvantage.

Karen Lococo

Operations Manager, Engagement Hubs and Individual Planned Support since July 2021

Karen joined Sacred Heart Mission as J2SI Coordinator in 2015 to assist with the implementation of J2SI Phase 2 before leading the implementation and monitoring of J2SI Phase 3 funded under the social impact investment from 2017. Prior to moving to Australia in 2013, Karen worked in Community Services in a variety of management roles across the mental health and homelessness sectors in the United States. Karen has particular interests in program design and consumer advocacy. In 2011, Karen was awarded the "Keep the Promise" Statewide Legislative Advocacy Award for work with staff and clients to advocate to maintain funding levels for Supportive Housing Services in Connecticut.

Karen holds a Bachelor of Science in Counselling, Social Work and Sociology and a Master of Social Work with a Research concentration from Fordham University in Westchester, NY.

Suzanne Findlay

Manager Social Impact & Growth since 2019

Suzanne joined Sacred Heart Mission as Funding and Social Investment Coordinator in July 2017. As part of the team negotiating Victoria's first social impact investment, in leading the structuring of the Payment by Results funding extension for J2SI announced in the 2021-22 Victorian Budget and in developing the Product Suite for the J2SI ELC, Suzanne used her experience as an investment manager in the infrastructure team at AustralianSuper (2006- 2015), as an equities analyst and as a consultant at Deloitte & Touche and Towers Perrin. Suzanne is a co-author of the AHURI reports 288, 294 and 299 on Social Impact Investing and Homelessness and Affordable Housing and worked on both the 2016 and 2018 Benchmarking Impact Reports on impact investing in Australia.

Suzanne holds a Master of Science (Mathematics) from the University of Melbourne and a Master of Social Investment and Philanthropy from Swinburne University.

Garry Bourke

J2SI Program Manager since 2021






Garry joined Sacred Heart Mission as an Intensive Case Manager in 2018, commencing on Phase 3.1. Garry has worked across various J2SI roles, including Team Leader and Program Coordinator within different cohorts. Garry has more recently been involved in the implementation of the Payment by Results funding model and is also familiar with the Social Impact Investment structure.

Holding a Bachelor of Behavioural Science (Psychology) from Flinders University, Adelaide, Garry has worked within the community services sector for over 10 years, with from case management through to leadership/management roles. Prior to working with SHM, Garry worked with various cohorts of vulnerable/marginalised clients, assisting with reintegration back into the community. Through this work and experience Garry recognises the importance of recovery focused approaches to case management and how it assists clients to reach their maximum potential.

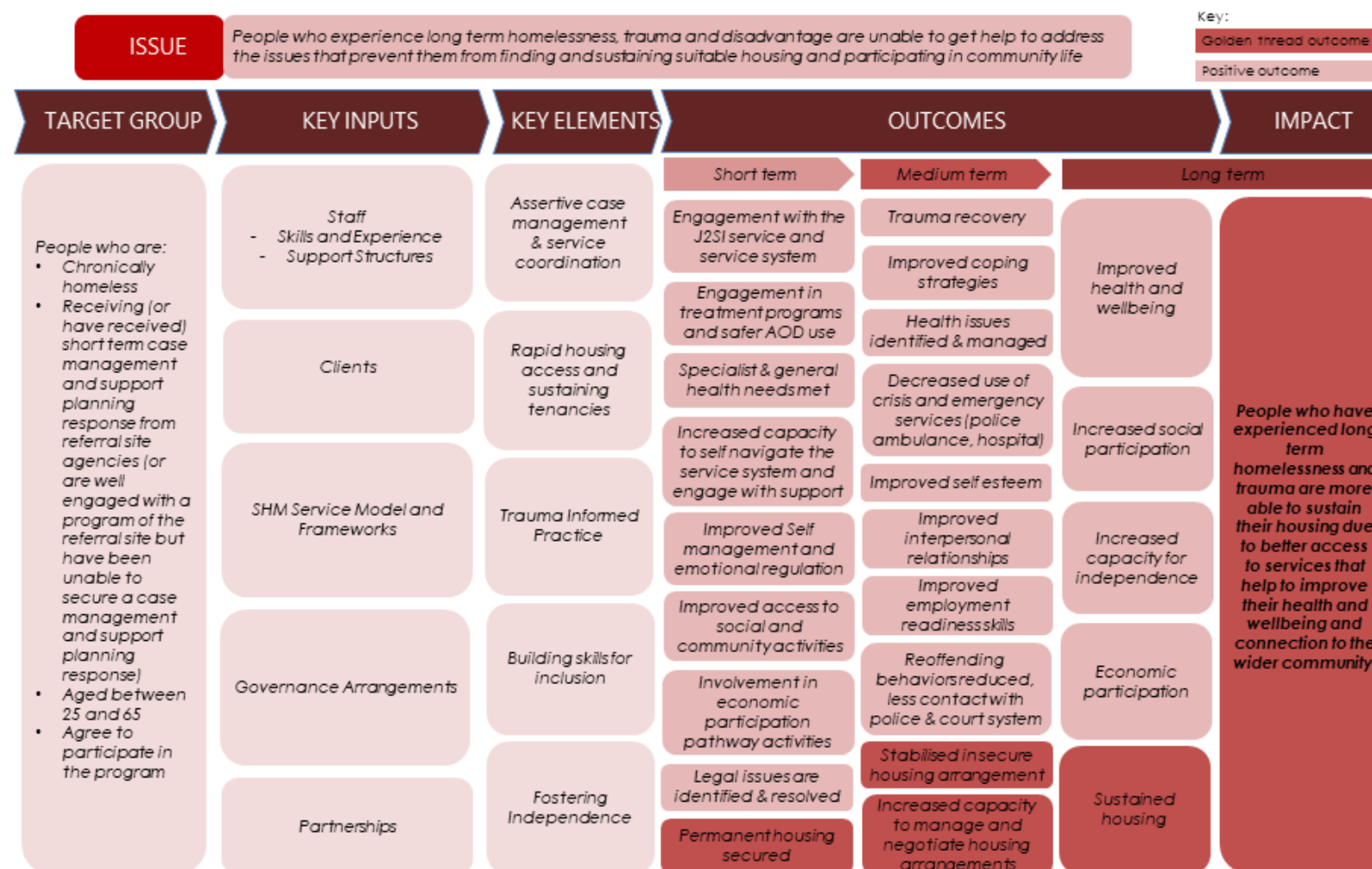
Appendix B: The Five Key Elements of J2SI

J2SI is focused around five inter-related, core program elements: sustained housing, social participation, economic participation, health & wellbeing, and independence. These are described in detail in Table 1.

Table 1 The 5 Key Elements of J2SI

 <p>ASSERTIVE CASE MANAGEMENT & SERVICE COORDINATION</p>	<ul style="list-style-type: none"> • Individualised planning and goal setting • Intensive, individualised support and outcomes-focused support • Personal empowerment through the journey of change and recovery • Improved use of and access to mainstream specialist services including: health, AOD, mental health, disability services and employment services • Broker services to meet individual needs
 <p>HOUSING ACCESS AND SUSTAINING TENANCIES</p>	<ul style="list-style-type: none"> • Rapid access to housing • Advocacy, support and advice to assist in gaining and maintaining a tenancy and managing a household • Build capacity for successful transition from street to home and to maintain a long-term tenancy • Housing options that meet differing individual needs and preferences
 <p>TRAUMA INFORMED PRACTICE</p>	<ul style="list-style-type: none"> • Trauma-informed practice framework • Trauma-informed trained and experienced staff • Tailored skill development for case workers and robust case discussion and consultation • Robust clinical practice governance, supervision and guidance • Appropriate and timely formal, additional therapeutic interventions
 <p>BUILDING SKILLS FOR INCLUSION</p>	<ul style="list-style-type: none"> • Development of individual goals and activities that are focused on social inclusion and employment pathways • Life skills, such as interpersonal skills, numeracy and literacy, practical living skills, assertiveness, tenancy skills, social norms and job-readiness • Opportunities to foster own social networks and enabling of client choice • Opportunities to participate in employment pathway activities such as education, training, volunteering and social enterprise • Cultivated skills in accessing employment agencies and organisations
 <p>FOSTERING INDEPENDENCE</p>	<ul style="list-style-type: none"> • Phased and diversified internal and external service relationship development that fosters trust and enables gradual, successful transition • Building of individual capacity for self-management such as understanding behaviours and identifying emotional and reactive triggers (to minimise unplanned and crisis situations) • Development of ability to navigate support and mainstream services including drawing on support services available within the service provider

Appendix C: The J2SI Program Logic Model





J2SI Evaluation and Learning Centre Information Pack for Licensees

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