



# Doorway: An Outcomes-Fundable Solution to Mental Health and Homelessness

## SNAPSHOT - The *Doorway* program



### The problem

A significant number of people in the mental health system struggle to secure and maintain housing and fall into long-term homelessness. This has long-term consequences for their health and wellbeing and puts a high burden on the state's support systems.



### The solution

Doorway supports clients out of a clinical mental health service and into a home by leveraging Australia's second-largest housing market, the private rental market. This radically increases the supply of housing available to this client group, whilst importantly normalising the process of maintaining housing in the community – not in the public housing system.



### The provider

Wellways is a national provider of mental health services and an innovator and leader in sub-acute mental health care. It created the *Doorway* approach and has invested in improving and scaling the model over nearly a decade.



### The outcome

*Doorway* has been proven to be effective in gaining and maintaining tenancies in the private rental market and, in doing so, has significant long-term benefits to individuals while saving money for both State and Federal Governments.

## Executive summary

The *Doorway* program solves a critical problem for Government and for the community – providing stable housing and support for people experiencing mental health issues and homelessness. In finding and maintaining tenancies not only do individuals benefit but significant pressure is reduced on Government-funded services.

*Doorway* is an end-to-end solution to this complex problem. The model is geographically flexible (proven across metropolitan and regional settings) and scalable (it can provide a statewide solution as required).

Wellways has a track record of successful delivery of the program and welcomes the opportunity of its expansion under an outcomes-based funding contract; delivering great outcomes for individuals but also cost-savings to Government.



## Social problem

At any one time there are approximately 3,000 people with a severe and persistent mental illness experiencing secondary homelessness in Australia (approximately 1,500 in Victoria). This housing instability perpetuates poor mental health – and without a blended treatment approach, these people cycle through housing and mental health systems, drawing on finite and costly resources. Evidence demonstrated that without intervention many of these people will become rough sleepers.

## The challenge for Government

Breaking the cycle of homelessness is a clear priority of the governments in all jurisdictions. So too is addressing the impacts of mental ill-health, with the Victorian Government establishing a Royal Commission to critically examine and transform the current system.

### COVID Response

COVID has put additional pressure on both the social housing and mental health sectors. People experiencing homelessness are at increased risk of contracting COVID, isolation restrictions limit their access to services and the growing concern what “COVID normal” will look like has intensified mental health issues<sup>1</sup>.

In response, Government recently committed to expanding temporary accommodation and pledged not to release those residents back into homelessness (\$150 million From Homelessness to a Home package). This is in addition to the \$59.4 million coronavirus mental health package, on top of budgeted 20-21 homelessness and mental health spend.

## The solution – *Doorway*

*Doorway* is an evidence-based housing and recovery program that enables people experiencing secondary homelessness with severe mental health issues to gain and sustain a home in the private rental market. Unlike other homelessness interventions, *Doorway* leverages the second biggest property market in Australia (private rental market) reducing the burden on the housing and public health sector and radically increasing the supply of housing available. This provides choice and control to participants, allowing them to live where they choose.

*Doorway* works within the clinical health system along with the private rental market, distinguishing it from other homelessness programs. It fuses mental health recovery with ongoing tenancy and wellbeing support, to deliver lasting outcomes.

The *Doorway* model has been iterated and improved over a seven-year period – and an academic evaluation<sup>2</sup> demonstrates its effectiveness.

## Why an outcomes-based project?

*Doorway* has been proven to deliver consistent improvements in two critical measures: a reduction in homelessness<sup>3</sup> and a reduction in the use of acute health services<sup>4</sup>. Outcomes-fundable solutions are the gold standard public policy instrument for delivering social services. They represent a willingness on the part of the service provider to have payments contingent on the delivery of results (independently verified).

Outcomes-based contracts offer high accountability, avoided costs for government, they are data and evidence driven and can leverage non-government resources (e.g. ‘impact investing’). This is the future for social sector service delivery – and *Doorway* provides a timely opportunity for Government to solve an urgent social challenge using progressive and revolutionary policy mechanism.

## Key messages

- The *Doorway* program aligns to the key objectives within the Victorian Government's 10-year mental health plan.
- The program offers opportunities for inclusion and participation (Outcome 9 of the 10-year mental health plan) through supporting stable housing, and economic and social participation.
- *Doorway* supports participants to secure and maintain long term tenancies in the community, providing individuals with the skills and education about their rights as a tenant, alongside supporting their recovery.
- *Doorway* provides participants with choice and the means to contribute to and manage their own health and wellbeing in their own residency, creating a safe environment that will assist in strengthening good mental health, with reduced need for clinical intervention.

## Key program details

### Cohort size (suggested only)

480 people, 6 cohorts of 80 people

### Program duration

18 months, total program length  
14 quarters or 3.5 years

### Government savings

Expected savings to the state of \$39.2 million (at target performance) and \$53.8 million (at well above target performance) in Net Present Value terms

### Cost

Total cost estimated \$12.5 million over 3.5 years (or \$26,500 per participant)

## Key contacts

For further information on the *Doorway* program:

### Scott Samson

General Manager Public Affairs & Communications

ssamson@wellways.org

03 8873 2522 | 0429 022 248

Wellways Australia

276 Heidelberg Road, Fairfield VIC 3078

## Why Wellways

Wellways is a leading Australian for-purpose mental health and community services provider. It has a longstanding track record of successfully working with complex clients and innovating for new and better ways of delivering social services.

<sup>1</sup>House of Representatives Standing Committee on Social Policy and Legal Affairs (2020), *Shelter in the storm – COVID-19 and homelessness, Interim report of the inquiry into homelessness in Australia*, 34-37.

<sup>2</sup>Dunt, D.R., Benoy, A.W., Phillipou, A., Collister, L.L., Crowther, E.M., Freidin, J., Castle, D. J., (2016) *Evaluation of an integrated housing and recovery model for people with severe and persistent mental illnesses: the Doorway program*. *Australian Health Review* 41, 573-581.

<sup>3</sup>Measured by % of cohort who secure private tenancy and who maintain it beyond 12 months.

<sup>4</sup>Measured by % reduction in hospital bed days for the cohort.