**New Leaf project (NLP)**

**Background**

In 2018, Foundations for Social Change (FSC), in partnership with the University of British Columbia, launched the Vancouver [New Leaf project](https://forsocialchange.org/new-leaf-project-overview), a program that uses direct unconditional cash transfers to reduce homelessness.

**Research Objective**

There is a growing body of evidence suggesting that direct giving (unconditional cash transfers) is a transformative tool to help lift people out of poverty. The NLP sought to rigorously evaluate whether direct giving has the ability to reduce homelessness and reintroduce stability into people’s lives.

**Research methods**

The NLP conducted the project as a [randomized controlled trial](https://forsocialchange.org/the-research). Project participants were screened for program eligibility based on the following criteria: age of recipients, length of time homeless, Canadian citizen or permanent resident, and degree of functionality (mental health and severity of substance and alcohol use).

In total, 115 participants were randomly assigned to one of the four groups:

● Group 1: $7,500 + workshop & coaching (N=25)

● Group 2: $7,500 + workshop (no coaching) (N=25)

● Group 3: no cash + workshop & coaching (N=19)

● Group 4: no cash + no workshop / coaching (N=46)

Fifty individuals were randomly selected to receive a one-time cash transfer of $7,500, the amount being benchmarked against the annual income assistance rate (2016) in British Columbia. Cash recipients completed a series of workshops involving the development of a personal plan and self-affirmation exercises. Select participants were also offered coaching for a period of six months to support them in developing life skills and strategies.

Evidence-based measures were developed to track participants’ outcomes over the course of 12 months, and participants completed questionnaires at 1, 3, 6, 9, and 12 months after receiving the cash. Open-ended qualitative interviews were also conducted after 6 and 12 months.

**Results**

[Preliminary data](https://forsocialchange.org/impact) indicates that, on average, cash recipients:

* Moved into stable housing faster
* Spent fewer days homeless
* Retained over $1,000 in savings through 12 months
* Increased spending on food, clothing, and rent
* Achieved greater food security
* Made wiser financial choices, with a 39% reduction in spending on alcohol, cigarettes and drugs
* Reduced reliance on the shelter system of care, resulting in cost savings to society.

**Learnings**

Compared to individuals who did not receive cash, cash recipients saw greater improvements in housing stability, savings, spending, food security, executive function, spending on temptation goods, and reliance on social services. Data generated from the NLP offers promising initial results that cash transfers could be a solution to reduce homelessness.

**Next Iteration**

**Given the promising results of this pilot project, FSC is aiming to expand the project in order to further refine and test the approach before scaling to other cities across Canada.**

**The expansion project will be run as a randomized controlled trial and will consist in an increase in both the number of cash transfers (from 50 to 200 recipients) as well as in the amount of the cash transfer itself (**from $7,500 to $8,500).

Technological advances, such as the design and implementation of an online application process, as well as the development of a project web application will also be leveraged. In addition, a range of non-cash supports will be provided to participants in the expansion project, revised from the pilot project and based on feedback from project alumni and the project’s lived experience advisor panel.

*For further details, please see the project’s* [*impact report*](https://static1.squarespace.com/static/5f07a92f21d34b403c788e05/t/5f751297fcfe7968a6a957a8/1601507995038/2020_09_30_FSC_Statement_of_Impact_w_Expansion.pdf)*.*