



COMMUNITY HOUSING

Navigating change and tackling the coming challenges

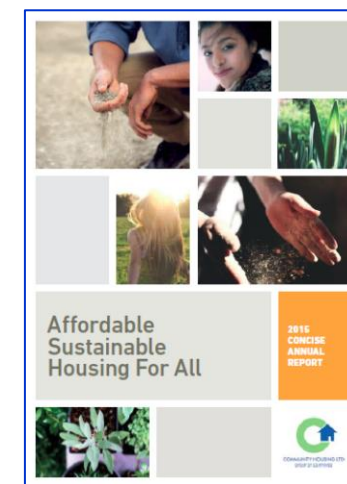
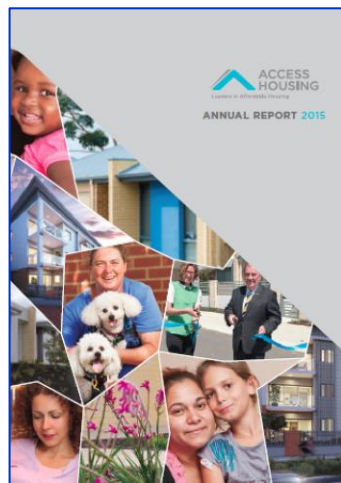
Dr Tony Gilmour

Bunbury, 1 April 2016

www.housingaction.net.au

Overview

- **What is community housing** and how does it fit within the wider Australian housing system?
- **Why is the sector growing**, and how?
- Can community housing **help the South West**?
- Questions and feedback



What is community housing?

Jargon Buster

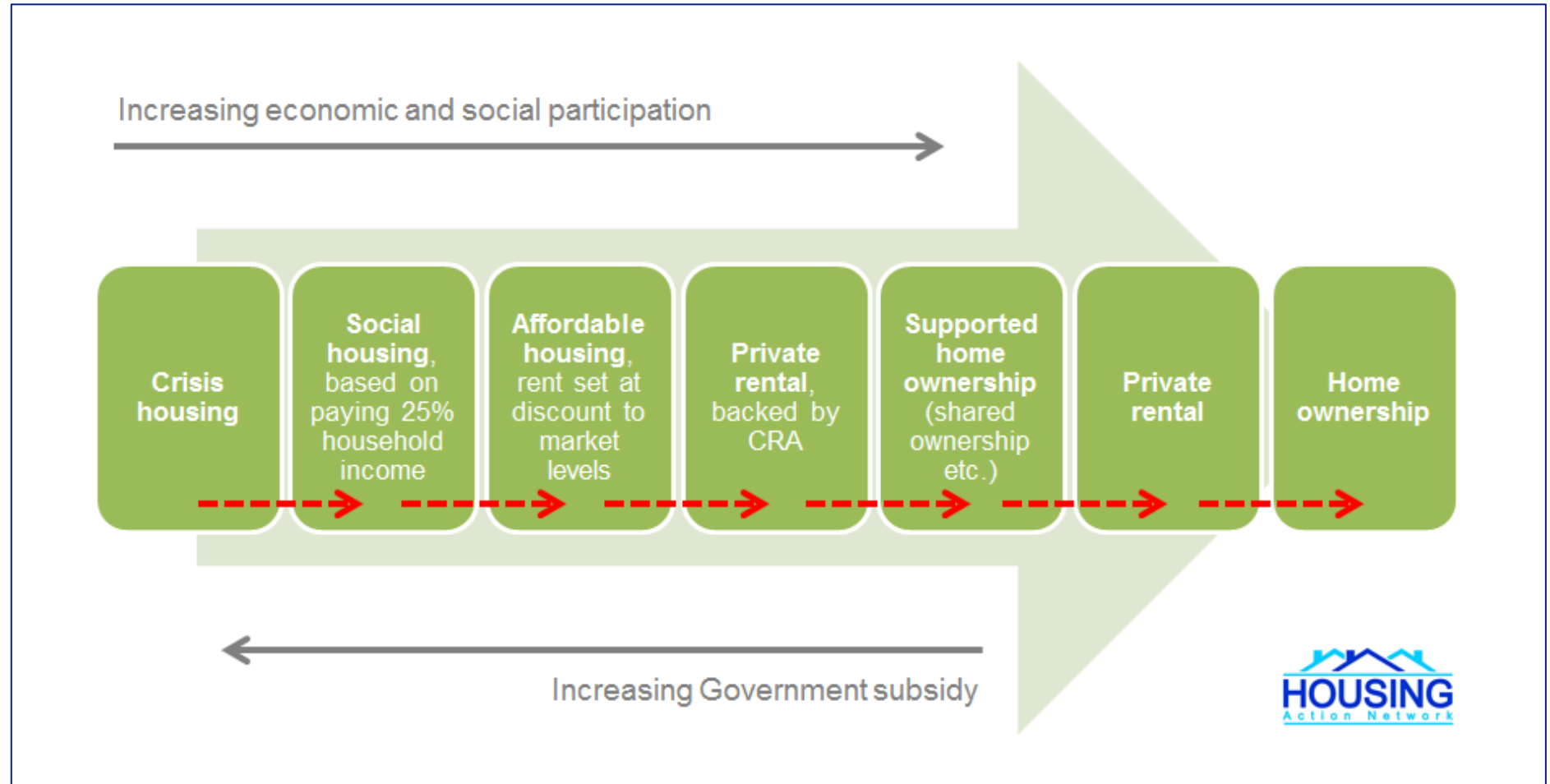
- **Housing affordability**
 - Based on % of household income spent on household costs. Doesn't matter if you are in private or social housing
 - More than 30% - you're in housing stress
 - Less than 30% - you're in affordable housing
- **Social housing**
 - Directly and heavily subsidised by government for disadvantaged people, with some 90% residents not working
 - Public housing managed by States - 80% of social housing - in trouble
 - Community housing managed by not-for-profit organisations - 20% of social housing - expanding

Social Housing Snapshot

Jurisdiction	Public	Community	Total	% all housing
NSW	110,214	28,214	138,428	4.8%
Victoria	64,404	12,689	77,093	3.4%
Queensland	51,248	11,585	62,833	3.4%
SA	39,428	5,942	45,370	6.2%
WA	33,361	6,608	39,969	4.2%
Tasmania	7,234	6,109	13,343	5.7%
ACT	10,833	663	11,496	7.9%
NT	4,905	295	5,200	6.4%
Australia	321,627	72,105	393,732	4.3%

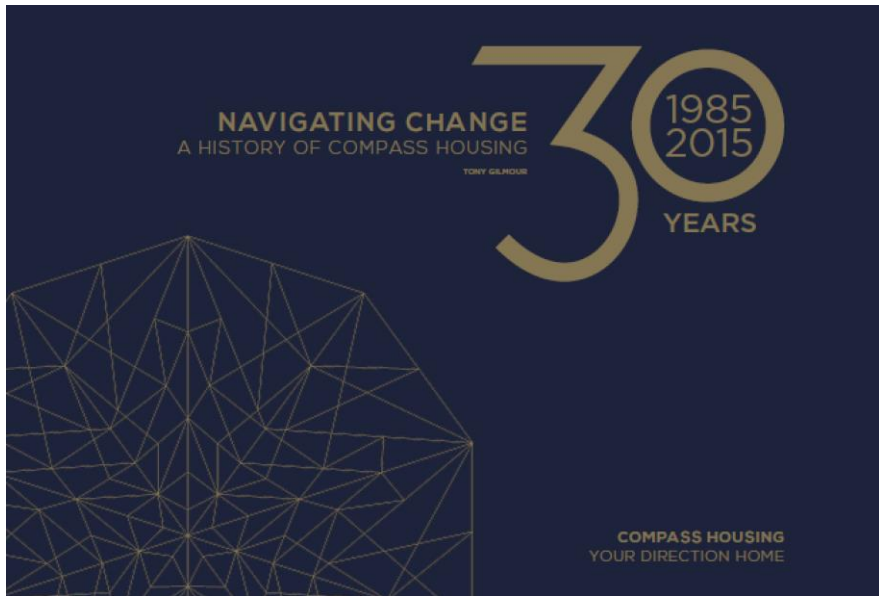
Source: Productivity Commission (2016), data at June 2015. % of housing uses Census 2011 data

The Housing Continuum

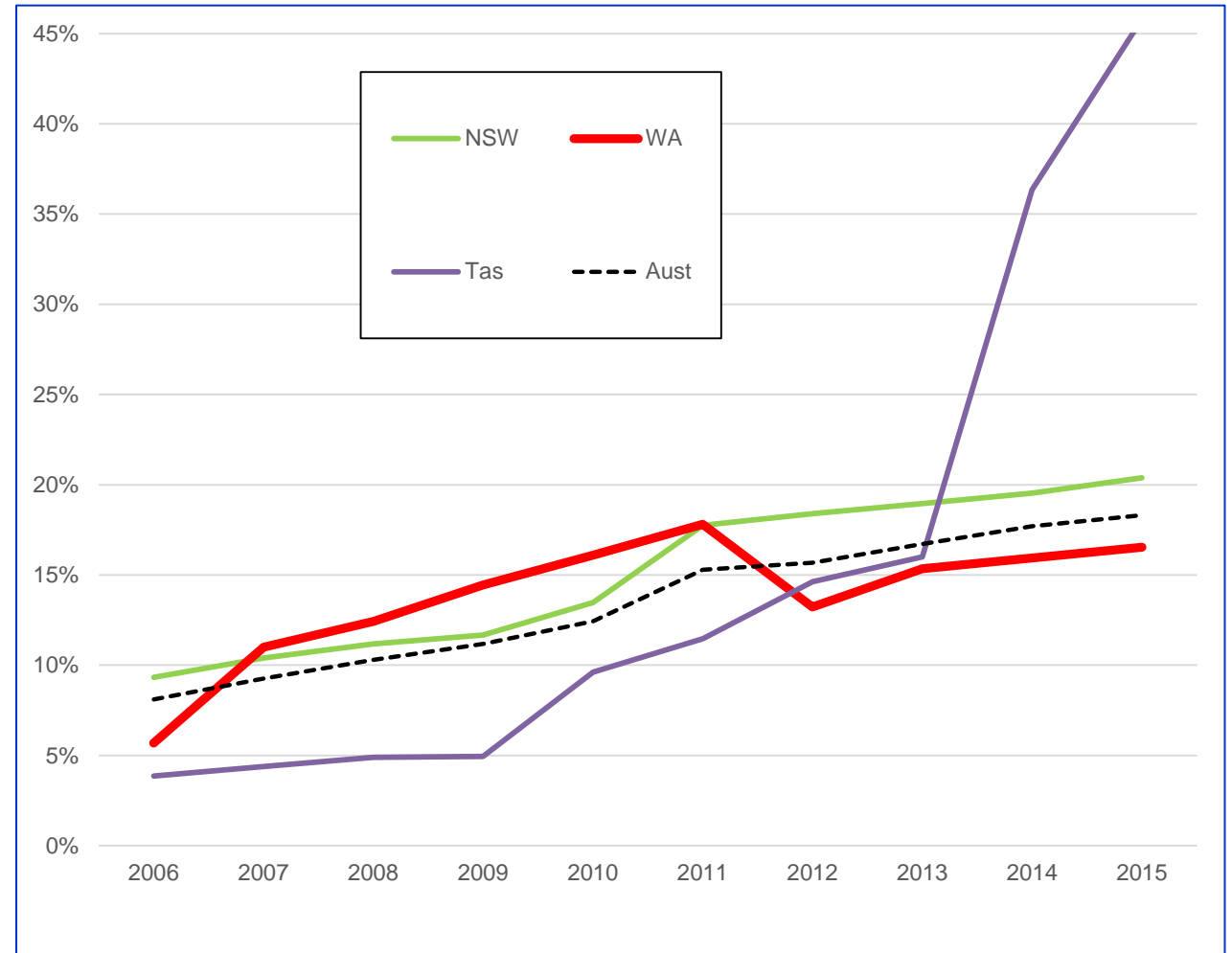


Not-for-Profits on the Rise

- Commonwealth directs funding to sector from early 1980s
- Now around 400 regulated community housing providers with c.35 providers Tier One type organisations (NRS and equivalents)
- Most community housing providers are small, and many not focussed on this as a core activity
- The 20 largest providers manage 70% of tenancies. The top 10 manage 44%



Community Housing's Growth

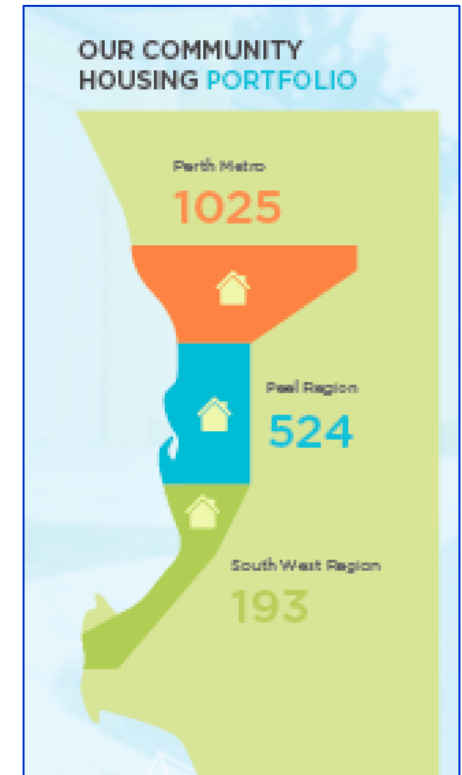


Source: Productivity Commission (2016), data as at June each year

Typical Profile

- Funded through a mix of rental income, State subsidy, Commonwealth subsidy (CRA), NRAS and cross-subsidy via commercial income (including fee for service work)
 - Income: \$10 m - \$90 m (top 20)
 - Staff: 10 - 140 (top 20)
 - Capital: \$15 m - \$600 m, (top 20)
- Majority manage tenancies rather than own assets
- Professional boards, commercially savvy managers
- Some diversification, mainly into property development and some into homelessness services

Example: Access Housing



National Housing Policy

State Housing Policy

- **Club 35%**
 - Tasmania: 'Better housing futures' (2012). Mission accomplished
 - NSW: 'Future Directions' (2016), to achieve 35% by 2026
 - South Australia: to achieve 35% by [watch this space]
- **Waverers**
 - Victoria: policy uncertain. Some moves around planning
 - Queensland: 90% transfers unlikely, possibly 'boutique' 2016
- **Old school**
 - NT, ACT: little movement so far, but under review
 - Western Australia: traditional approaches, little change

Why is the sector growing?

Three Waves of Social Housing



- **Wave 1**
 - Universal welfare, housing
 - 1930s, 1940s onwards: housing commissions
 - Housing for working families
- **Wave 2**
 - Choice, deregulation
 - 1970s, 1980s onwards: community housing
 - Social housing residualised, high need
- **Wave 3**
 - Marketisation, 'welfare reform'
 - 2010s onwards
 - Housing continuum, transitions

Why Community Housing? - Social

- **Tenants**

- High satisfaction scores: community housing providers often good landlords
- Seen as better able to connect tenants with support
- Potentially easier transitions along the 'housing continuum'

- **Communities**

- Local people on community housing boards
- Approaches are more easily adapted to local housing markets
- Better able to form strong local cross-sectoral partnerships
- Can reduce the stigmatisation and spatial segregation of social housing
- Good source of local employment
- Can align with council/RDA local/regional priorities

Tenant Satisfaction Scores



Source: Productivity Commission (2016), data as at 30 June 2015

Why Community Housing? - Economic

- **Finance**

- Tenants eligible for additional Commonwealth funding (CRA)
- Can attract donations, though relatively uncommon
- No leakage of subsidy to shareholders through payment of dividends

- **Business**

- More easily able to partner with the private sector
- Excellent vehicles for cross-subsidy
- Potentially cheaper than delivery by public sector

- **Taxation**

- Do not pay income tax
- GST and fringe benefits tax advantages

Queensland: Transfers




Queensland's Department of Housing and Public Works have awarded Compass Housing Services Co Ltd (Compass) and BlueCHP Ltd (BlueCHP) Australia's largest ever housing renewal project.

Centred on Logan City, Queensland, the project is designed to reinvigorate that city's residential landscape and community. The 20 year management project will see the transfer of approximately 4,700 social housing dwellings from mid 2015 and include the replacement of approx 1000 existing houses with approx 1,600 modern social dwellings and over 1,000 new affordable houses for rent and sale.

Compass is very excited about the Logan Renewal Initiative and honoured to be involved in such an important housing project.

Compass and BlueCHP joined together to create Logan City Community Housing (LCCH).

South Australia: Renewal



**RENEWING OUR
STREETS & SUBURBS**

Expression of Interest
Melrose Park
Community Housing Providers

**BETTER NEIGHBOURHOODS
PROGRAM**

PROGRAM 3

RenewalSA
people. communities. progress.

GOVERNMENT OF SOUTH AUSTRALIA

SOUTH



Better Neighbourhoods Program (BNP)
Renewal SA project manages a program of demolition, land division and house construction in areas with high concentrations of aged SAHT social housing. The housing and construction industry is involved as consultants as well as civil works and building contractors.

Small Cluster Renewals
Involves the sale of small scale clusters of double-unit and detached social housing for renewal by the private and not-for-profit sectors including demolition, refurbishment and sale of properties.

Medium Density Site Renewals
Private and not-for-profit renewal of SAHT 'walk up flats' and cottage home sites as medium density mixed tenure developments within close proximity to main roads and public transport.

Small Scale Urban Renewal
Private and not-for-profit renewal of groups of 20-60 SAHT houses increasing housing density and mix, while reducing social housing concentrations and providing opportunities for affordable housing.

Medium Scale Urban Renewal
Private and not-for-profit renewal of social housing sites with the potential for increased density and housing mix, typically with 100-150 houses and greater opportunity for affordable housing.

Stock Transfers
Tenancy and property management transferral from SAHT to Community Housing Providers (CHP) to enhance tenancy management and provide multi-layered services to local communities.

Sales
Sale of SAHT properties to tenants and on the open market.

PROGRAM 1

PROGRAM 2

PROGRAM 3

PROGRAM 4

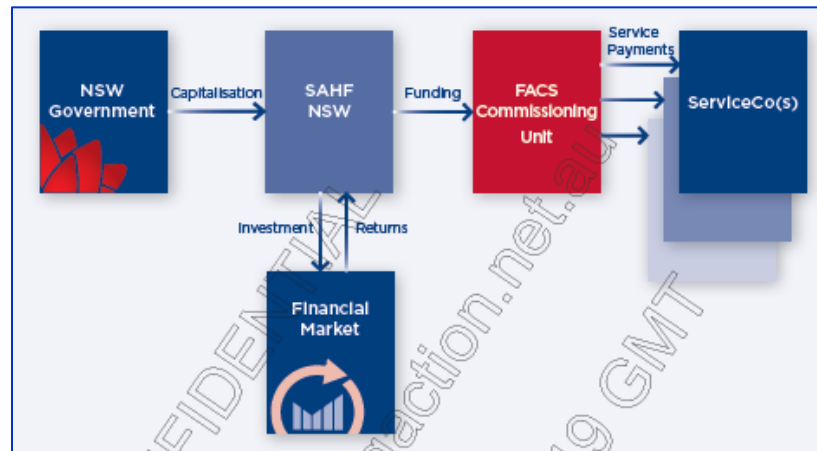
PROGRAM 5

PROGRAM 6

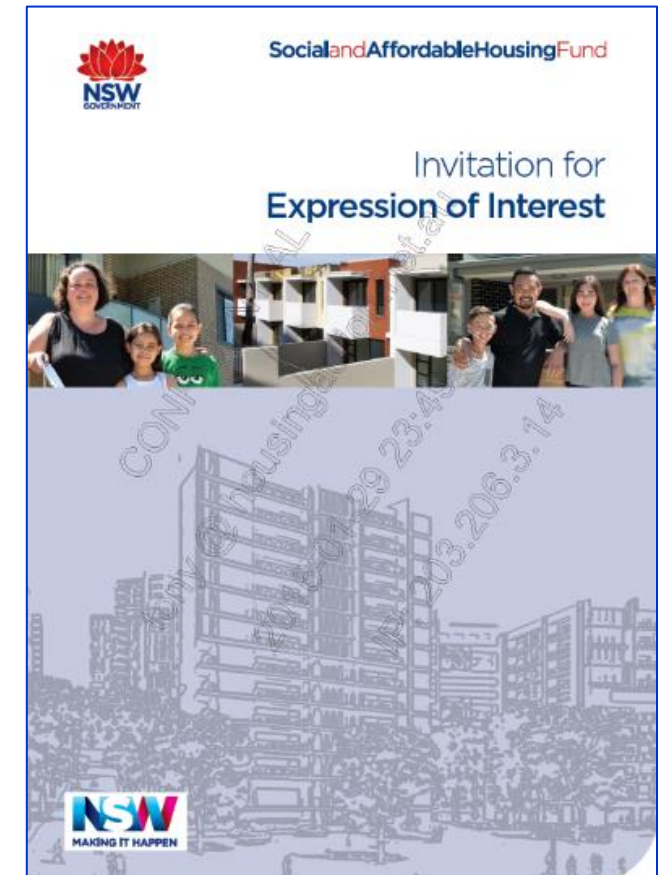
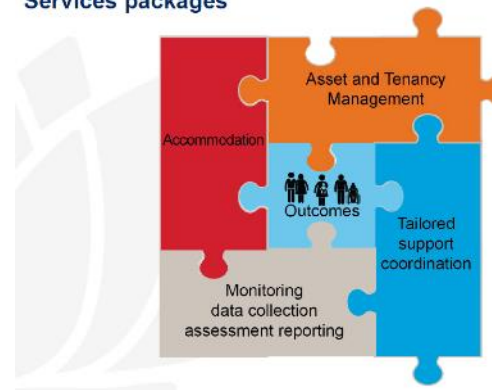
PROGRAM 7

NSW - SAHF

- \$1.1 billion Social and Affordable Housing Fund (SAHF), Jan 2016



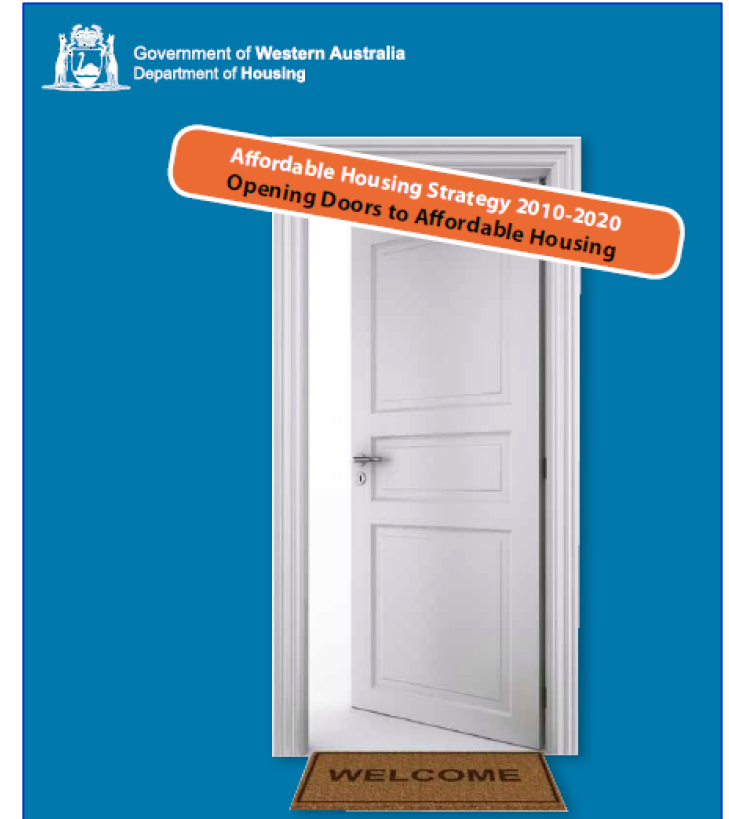
Services packages



**Can community housing help
the South West?**

Western Australian Approaches

- ‘Opening Doors’ (2010):
 - Visionary approach understand housing along the ‘housing continuum’
 - Leading Australian shared ownership
- Outcomes:
 - Achieved target of 20,000 affordable housing ‘outcomes’ early, by June 2015
 - Re-calibrated target to be 30,000 ‘outcomes’ by 2020
- Benefited from favourable property market in early years of the strategy





Affordable Housing Strategy 2010–2020

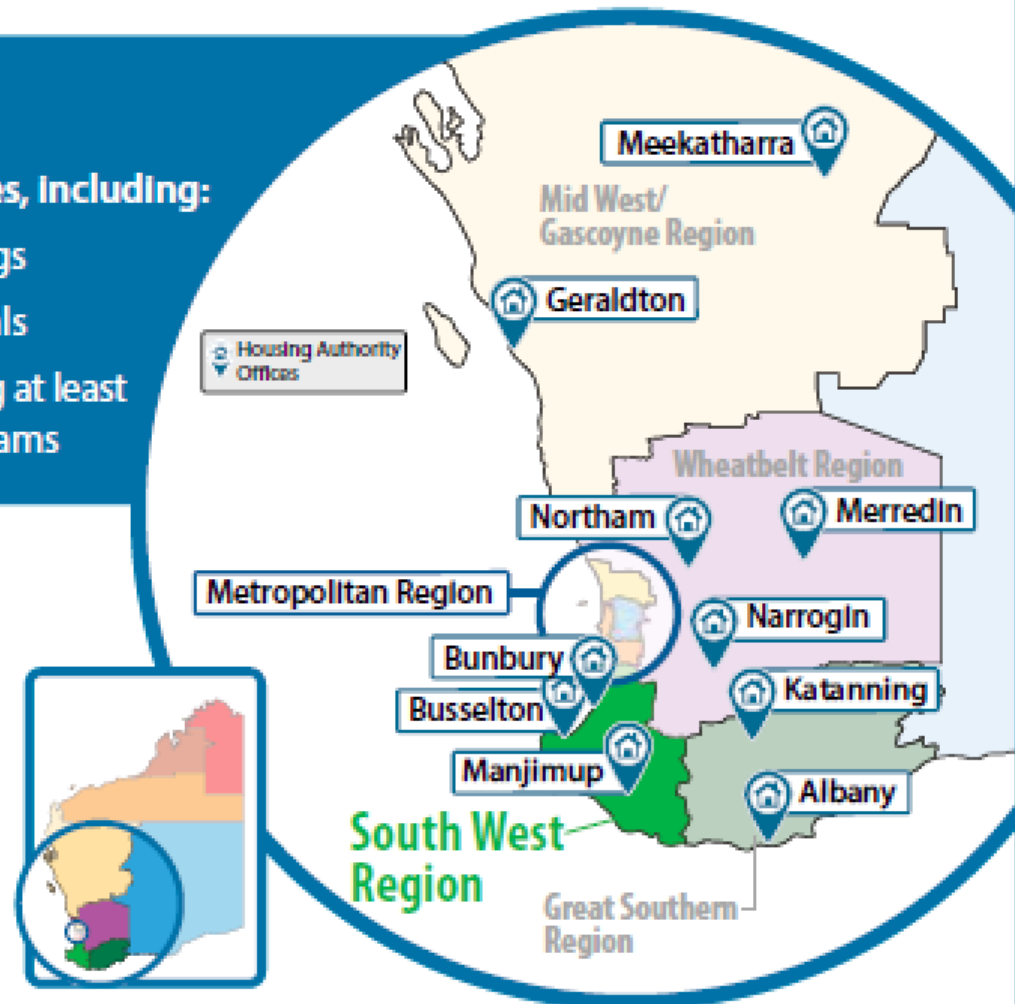
Opening Doors to 20,000 affordable homes

SOUTH WEST REGION

More than 1,300 affordable homes, including:

- over 450 social housing dwellings
- over 50 discounted private rentals
- over 750 Keystart loans, including at least 100 through shared equity programs

The Liberal-National State Government's *Affordable Housing Strategy 2010-2020*: *Opening Doors to Affordable Housing* was the first of its kind in any Australian jurisdiction, and established a framework for collective action across government. It has a clear focus on people on low to moderate incomes who face significant barriers across the whole of the housing continuum – from homelessness through to home ownership.



WA Community Housing

- Property numbers in WA sector have changed little since 2010: 5,500 up to 6,600. Is this 'growing the sector' as promised?
- Social housing system still dominated by Department of Housing in terms of property numbers and centralised direction
- WA decided not to join the National Regulatory System
- 6 'growth providers' (4 local, 2 national) but few providers have grown to the scale of those on the East Coast
- Local heroes: **Access Housing** (Bunbury office); **Great Southern Community Housing Association** (a preferred provider); **Bunbury Housing Association, City of Busselton** (third tier)

South West Regional Analysis

- **Very fast population growth** - need for inclusion of social rental, affordable rental and affordable purchase housing
 - Community housing providers as developers, using planning and cross-subsidy approaches
- **Community building** - need to address pockets of social and economic disadvantage and build stable localities
 - Housing providers as a 'community anchor'
- **Regional focus** - need to develop regionally specific solutions, balancing the greater focus on metro Perth and resources
 - Housing providers helping with regional leadership, understanding regional social and affordable housing demand. Locally run organisations

Welcome

Our first year

New trial sites

What help can I get?



Welcome

NDIS is the National Disability Insurance Scheme - a new way of providing community linking and individualised support for people with permanent and significant disability, their families and carers.

[Sign up for updates](#)

[Continuous learning](#)

[Find out more](#)



To see if you are able to access assistance from the National Disability Insurance Scheme, use

[My Access Checker](#)

Contact us

1800 800 110

[Participant Portal](#)
[Provider Portal](#)
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[Visit Us](#)

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What Needs to Happen?

- Department of Housing is Australia's best State Housing Authority but the model remains unsustainable, especially in era of budget restraint and poorer economic performance in WA
- Community housing sector should grow, join 'Club 35%' bringing extra money to fund new/refurbished housing
- Whole of area transfers will boost local management of social housing - local people know what is best
- Councils need to continue and further collaboration with community housing sector: planning, land, support
- Community housing providers need to step up to the mark, continue to professionalise and potentially merge/collaborate

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