

**Submission
No 6**

TENANCY MANAGEMENT IN SOCIAL HOUSING

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Inquiry into Tenancy Management in Social Housing

Submission

Samaritans Foundation

Samaritans Foundation is a not for profit organisation. Our 2012/2013 annual report demonstrates a total equity of almost \$20 million and we were in receipt of over \$40 million. Established in 1984, the Samaritans Foundation now operates over 100 support services throughout the Central Coast, Newcastle, Hunter and Mid-North Coast regions. In 2012 the organisation's work spread to Mudgee in the Central West of NSW. Throughout these regions, the organisation offers support to a number of those in need including young people and families, those with disability or mental health challenges and the wider community. Samaritans now has over 600 staff and more than 400 volunteers. (www.samaritans.org.au)

Over this period of time Samaritans Foundation has run a number of accommodation services and tenancy support services. Our submission focuses on our experiences as a Non-Government Organisation providing these services.

Current Tenancy Support Services operated By Samaritans Foundation

Samaritans Foundation operates;

- a Tenancy Resource Service. This initiative is funded through a FACS Tenant Participation Resource Services Program Grant. The Tenancy Resource Service is funded to provide advice and advocacy to Social Housing Tenants (Housing NSW, Department of Aboriginal Housing and tenants of Community Housing Providers). The program is a Housing NSW initiative to "provide social housing tenants with increased access to information, advice and opportunities to more actively participate in processes related to their housing, as well as to engage in their communities". The Samaritans Tenancy Resource Service is the TPRS for the Hunter and Central Coast regions of NSW.
- a Brokerage Support Service which provides an early intervention approach to the prevention of homelessness for families (with dependent children, 16 years and under) who are at risk of homelessness due to rental or mortgage arrears in the Hunter Region of NSW.

The range and effectiveness of support services provided to tenants in social housing.

From our experiences as an NGO in the community sector providing accommodation services and support services, we want to acknowledge and stress the importance of tenancy management operating separately to support services for tenants.

There is a power imbalance in the tenant/landlord relationship. It is problematic for the same worker or service to be dealing with tenancy management issues, whilst at the same time, attempting to engage, build rapport and provide support services to an individual tenant or family. Whilst this is recognised in

legislation and there are protections for tenants through the *Residential Tenancies Act* this may not be the lived experience for tenants. We would suggest that it is imperative, that tenants are able to access support services that are separate from tenancy management.

We believe that initiatives such as the Tenant Participation Resource Services Program, are positive initiatives which provide tenants with some of these necessary supports separately to tenancy management. For example in the 2012/13 reporting period our TPRS averaged 143 phone calls a month from tenants and was accessed by over 1000 individual tenants. From this work we found that the main reasons tenant's contact the service is in regards to;

- rental arrears (32%)
- access issues (13%)
- unresolved maintenance issues (8%)
- questions from tenant groups (7%)
- support for transfer applications (6%)
- neighbour disputes (5%)
- being evicted for reasons other than arrears (3%)
- wanting assistance with bond (3%)
- needing emergency relief (2%)
- transitioning from being homeless/unstable accommodation to a HNSW property and requiring furniture (2%)
- questions in regards to the amount of rent they are being charged (1%).

The work of our Brokerage Service also highlights the financial strain on families with over 191 families being assisted in their initial funding period with these numbers increasing. Of these 101 families reported that their situations were now stable and the risk of homelessness had decreased. 65% of the families assisted that they had also increased their skills and knowledge to assist them to maintain their housing.

Our emergency relief services assisted over 13 000 individuals in 2012/13 and we know that many of these are social housing tenants. We know, both from the data collected by the services and the anecdotal evidence of staff, as well as the work undertaken by our financial counsellors, the importance of appropriately linking tenants with support services.

Outcomes for tenants from current tenancy management arrangements.

Anecdotal evidence from staff in regards to how current tenancy management arrangements impact on tenants recommends a need to 'get on top of problems earlier.'

The above discussion highlights that many tenants are accessing our support services when their tenancy is at risk because of rental arrears. There is currently no real early intervention approach which means

that unfortunately we are still seeing tenants coming for assistance with arrears in the thousands of dollars. For families on a very limited budget this is almost impossible to overcome. For example, for a family with a \$3000 arrears debt who agrees to pay it back at a rate of \$50 per week would be repaying this debt for over a year. What we also know from our work with individuals and families is that this amount would generally be unrealistic and would mean that individual or family will go without essentials, at times for this debt to be repaid. What we also know is that if this tenant is on a specific performance order through the NCAT to repay this debt and misses payments they will again have their tenancy at an even greater risk. We know that it is highly likely they will miss a payment because there is so little room in these budgets to allow for saving. That means that when unexpected things happen, like the car needs to be repaired or there is a school excursion or an extra large electricity bill or someone gets sick, chances are that a payment may get missed.

What we are seeing are tenants with large debts who are keen to save their tenancy and will then commit to unrealistic payment plans and set themselves up to fail. Tenants are being asked to pay an extra \$100 per week (at times more) and what we know from the budget work we do with tenants, is that the extra money simply isn't there. From this we would suggest that better measures need to be put in place so that tenants are linked with support services earlier and that people are not falling through cracks and finding themselves with huge debts.

Many of the tenants who we are seeing in regards to tenancy arrears are stating that the arrears has not accrued from wilful non-payment but more so from administrative errors. For example;

- Issues when Centrepay payments have not been the correct amount
- issues with rent rebate forms
- forms not being received
- tenant not being aware of rent increases.

From the amount of tenants presenting with these issues we would argue that tenancy management strategies could be looking at how to better communicate with tenants to ensure these issues are not happening. Strategies should be put in place so that these issues are brought up with the tenant sooner, rather than later to minimise the amount of accrued arrears.

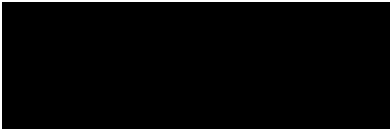
In regards to 'getting on top of problems earlier' we believe this is applicable to many tenancy management issues. We would argue that this is the case for many property care issues, in particular hoarding and squalor. Whilst we acknowledge how difficult these issues can be to address and work with tenants on, we would argue that more could possibly be done to ensure that tenants are linked with support services earlier. For example more frequent property inspections. Whilst it seems that the policy which is regularly mentioned by Housing NSW staff is for annual inspections, discussions with tenants highlights that this is not the lived experience of the tenant. We acknowledge the many constraints there

are to ensuring that these inspections happen but would again advocate, as a tenancy management strategy that these regular inspections could be cost savings of the future.

Possible measures to improve tenancy management services.

Adopting more early intervention strategies and taking a risk management approach. For example;

- More regular property inspections – Ideally every 6 months, but at a minimum yearly. Whilst this was discussed above in regards to arrears and property care, we would also argue its importance for elderly and isolated tenants and ensuring they are appropriately linked with services for their changing needs.
- Getting on top of things earlier. From a tenancy management perspective rather than taking tenancy action such as through NCAT, we would argue for linking tenants to support services earlier.
- Better measures in place for arrears to ensure that there are not situations where tenants have arrears over \$3000 and this has been left unchecked with no offer of support.
- Our discussion above highlights the financial strain on families and individuals on very limited income. From this work we would argue that tenants should not be paying more than 25% of the household income for rent.
- Supportive of strategies which see an increase of social housing and strategies which see a social mix in our communities.
- Support for tenancy management strategies that focus on a stability of tenure.
- Recognition of the high rates of illiteracy among tenants and implementing strategies to improve communication with tenants. Sending a person with literacy problems a letter to say they are in arrears is not an effective tenancy management strategy for that tenant.



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