

**Submission
No 37**

TENANCY MANAGEMENT IN SOCIAL HOUSING

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Chair
Legislative Assembly Public Accounts Committee (PAC)
Parliament House
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Dear Chair

Inquiry into Tenancy Management in Social Housing

Access to a stable, safe, secure and clean home is a necessity for everyone and a basic human right. Homes should be located close to transport, jobs, entertainment and services.

The *Housing Act 2001* identifies the role of social housing:

- (a) to maximise the opportunities for all people in New South Wales to have access to secure, appropriate and affordable housing,*
- (e) to maximise the opportunities for tenants of public and community housing programs to participate in the management of their housing and in the development of public and community housing policies,*
- (i) to encourage social mix and the integration of different housing forms in existing and new communities.*

Inner city housing affordability has hit crisis point following property booms and skyrocketing rents. NSW has the highest proportion of households in housing stress, with nearly 20 per cent of households in housing stress, just under half of NSW low income rental households in rental stress and more than half of Sydney low income rental households in rental stress.

People on very low incomes, especially those with a mental illness, disability, drug and alcohol problem, suffering from trauma and abuse, and ex-prisoners have major challenges attaining stable low cost housing and need government help to provide an alternative to the private housing market that is unaffordable and does not meet their needs. Their housing should be close to health and welfare services, jobs and public transport to help them get back on their feet and contribute to the community.

Rationing of resources to people most in need means that all eligible tenants require high levels of support. Social housing now provides 'housing of last resort', with very restricted capacity so that low cost homes are provided only to people who meet tight eligibility requirements. Only five per cent of tenants are not living on a Centrelink payment. Some tenants require high levels of individualised support that is not sustainable in the normal independent living setting.



The 2013 Auditor General report *Making the best use of public housing* detailed the long term decline in the availability of social housing, with increasing mismatch between demand and supply.

The government must address the long term decline in social housing supply in order to enable more effective and efficient tenancy management.

Recent decisions to sell inner city social housing undermine the availability of low cost housing that is close to established health and welfare services, public transport and employment. It is vital that the government retain housing in the inner city and redevelop existing housing to match community need.

The government must retain and redevelop well-located inner city social housing so that it matches community need.

Cost effectiveness

Consideration of cost of allocation, management and support for social housing needs to be assessed against the government's responsibility to provide and maintain housing and tenant support to sustain tenancies and communities.

This assessment must factor in the costs to police, health services, councils, ageing, disability and mental health services from homelessness and failure to manage the complex needs of tenants that can lead to anti-social behaviour and neighbourhood disputes, unsettling and distressing neighbours and undermining community support.

Connected, active and engaged communities save governments money through informal care, improved safety, healthier and active people and reduced crime.

The Auditor General's 2013 report identified that 44 per cent of tenancies do not match tenant need. Current arrangements do not meet tenant or community need, which is a basic requirement on which assessments of cost effectiveness should be measured.

Sustainable communities save money and allow resources to be reinvested to improve people's lives, health and wellbeing, with associated economic benefit. Social housing management costs cannot be compared with for-profit private tenancy management which has no social or support responsibilities to individual tenants or communities. Cost effective tenancy management must include funds to prevent tenancy problems, early intervention support strategies for complex need tenants and consider the cost implications for other portfolios including police, health, homelessness, community services, justice and mental health as well as non-profit service providers and councils.

Investment in social housing and allocation of housing resources should not be determined by short term financial gain and cost savings but focus on long term outcomes for tenants, housing estates and the wider community. Social housing exists because of market failure; it is unlikely that the market can provide appropriate tenancy management without major subsidy.

I am concerned that the assessment of tenancy costs must compare management costs of similar tenant profiles, not social housing with general real estate tenancy management costs.

Demand Management

Significant Housing NSW resources are allocated to managing demand from applicants for housing, assessing applications and updating longstanding applications for housing, assessing and managing requests for transfers, chasing rent arrears and responding to complaints and neighbour disputes. I appreciate the responsive work of Housing NSW officers to the high volume of requests they receive. The limited resources of tenancy teams would benefit from a refocus of staff resources away from reactive action into measures to prevent issues and support tenants to sustain their tenancy.

Housing NSW tenancy management can only be reactive, responding to crisis and community distress when there are limited resources, increasing demand and increasingly complex needs.

A **prevention and early intervention approach** to tenancy management is required to achieve positive outcomes for individual tenants, help develop sustainable safe communities and provide wider social benefit and cost savings across government departments.

Tenants regularly report that their Client Service Officer has been moved and a new officer allocated who does not know them, their building or the local area. There is a similar high rate of movement for Team Leaders and more senior staff. Employees should have access to professional development opportunities and to learn new skills, **constant staff turnover** undermines Housing NSW capacity to build supportive relationships, understand the history of disputes and to maintain consistent approaches to dealing with tenants who have significant level of need.

Additional Housing NSW staffing is needed to provide the necessary level of service to meet these needs.

Specialist Client Service Officers and **Anti-Social Behaviour Officers** are essential for management of tenants with high needs, but these officers have large caseloads. I am aware of the vital role these officers play, and understand that they can develop careful and innovative responses to situations of conflict and dispute. It is essential that Housing NSW offices be provided with additional expertise to support tenants with mental illness, personality disorder, problematic substance use and disability.

The government should increase the number of these skilled Specialists and Anti-Social Behaviour Officers, particularly in areas of concentrated social housing.

Local Housing NSW offices allow the development of positive relationships with tenants, as do **Neighbourhood Advisory Boards** and **local meetings** to inform tenants about changes and hear common concerns. I support the retention of smaller **local shopfronts** for personal contact, with **regular visits to larger buildings** to liaise with tenants and identify concerns early.

Together with councils and social service providers, Housing NSW should provide **localised new resident kits** with relevant local contact information. Housing NSW should encourage outreach programs and services to larger buildings and social housing estates where a significant number of people can be reached efficiently.

The very successful Surry Hills **Community Development Worker position** has demonstrated that a key worker allocated to this role can achieve significant and longstanding improvements to safety and amenity prevent problems and link vulnerable tenants into support services before crisis. These positions should be extended across all larger estates and buildings.

The Surry Hills **Community Development Worker** should be made a **permanent** position so that long term projects can be initiated and implemented.

It is also vital that tenants have access to **space for social and support activities** on larger estates and buildings. I commend the work being done in the inner city to maintain and re-open **community rooms** in many social housing buildings. These provide a venue for support and socialisation for isolated individuals and a practical base for outreach programs and service providers to reach marginalised people who need help.

Social housing tenancy management must not be seen simply as a technical process, but also include **social capital and community building**. Engaging tenants in the solutions to local concerns encourages a sense of ownership and pride in their communities and is more likely to

result in effective action to address safety and amenity concerns, sustain tenancies, reduce requests for transfer and create sustainable communities.

Any action to improve outcomes for tenants and ensure sustainable social housing for individuals and communities needs to involve and engage tenants, including assessing quality control of contractors carrying out repair and cleansing jobs.

Housing NSW should take a leadership role in promoting community building and engagement with service providers and councils, using the strategies above.

Allocations

Many of the community levels concerns that I have been asked to help address stem from poor **allocation of tenants to buildings and estates**. While all tenants need a home, it is also important for their home to be safe and allow their 'quiet enjoyment' of that home. Significant Housing NSW resources are used trying to respond to these failing tenancies.

An example that has been raised repeatedly in the inner city is where people with a history of drug problems are allocated to a home in properties centred in **street level drug dealing and use**. This sets the tenant up for failure and causes significant distress for neighbours. I have heard similar cases of **rough sleepers** being housed in the area where they have been sleeping rough, which resulted in acquaintances from the street squatting in and standing over them in their new home with significant impacts on neighbours and unsustainable tenancies.

I support **careful local allocation policies** and **sensitive allocations** that respect the need to provide housing to tenants most in need while also preventing unsuitable tenancies, conflict and dispute. The Auditor General recommended a similar approach to developing "successful and sustainable communities".

The government should ensure sustainable and sensitive allocations, localised orientation for new tenants and follow-up to ensure tenant's needs are being met and they are able to meet their responsibilities as a tenants.

Short term leases

The Auditor General identified that the use of **two year leases** has not had a valuable impact, with significant cost in time and effort for little outcome. While there may be instances where a short lease is useful, this standard approach costs time and effort that could be better allocated to other areas.

The government should review and restrict the use of two year leases to tenancies where there is a history of concern.

Transfers

Tenants **seeking transfer** make up a large proportion of those who seek help from me, and I am concerned that the current process is unwieldy and inefficient. Tenants wait many years for approval and allocation in transfer, diverting Housing NSW staff from other responsibilities and causing a deal of frustration and unhappiness for the tenants concerned.

The Housing NSW transfer process should be streamlined to allow easier exchange of homes where tenants have a reason to move.

The government should **support and promote community managed house swap schemes** such as www.ourhouseswap.com.au that may help tenants move without impacting on Housing NSW resources as heavily as the current transfer process.

Maintenance and repairs

The Auditor General identified a long term problem with maintenance and repairs of social housing properties being postponed, only emergency or superficial work being done, or properties being

sold in order to maintain other properties, noting that this is unsustainable and results in fewer properties being available for people who need a home. The 2013 report identified a minimum \$330 million underfunding.

There is significant community concern about the current **contract arrangements** for social housing properties under the control of the Land and Housing Corporation, and I have repeatedly raised concerns about **poor contractor performance** that costs the government, the community and the tenant more when work must be reported numerous times and redone at additional cost. There is similar concern about the arrangements between Housing NSW and the Land and Housing Corporation, though it is difficult to identify if this is a short term concern linked to restructure and separation of the two agencies.

Tenants repeatedly report long waits to report to the **Housing Contact Centre**, and that the current system does not cater for faults affecting the whole building, problems in common areas and non-standard concerns such as walkways. Poor maintenance and repair wait times put additional strain on Tenancy Management Team resources where they need to chase up Assets Teams for action, manage tenant frustrations and safety concerns and process tenant transfers, temporary accommodation and relocation where poor maintenance has made the property unsafe or unsuitable to live in.

The government must improve repair and maintenance reporting and response through the Housing Contact Centre.

The unique arrangements under the **Tripartite Agreement** for the Woolloomooloo housing estate require specific action to clarify responsibilities and improve arrangements. As the government owns significant land and is responsible for a range of services and facilities that other agencies provide in other areas, including street lighting, road maintenance, parking and waste collection.

The government must clarify responsibility and provide funds to the relevant agency or council to manage basic infrastructure and facilities in the Woolloomooloo housing estate.

Support services

While there has been progress **with inter-agency agreements** including the **Housing and Mental Health Agreement with NSW Health and MOU's with NSW Police**, Sydney City Council, Guardian and Trustees, I am concerned that the arrangements are not being used effectively to benefit tenants, neighbours and local communities.

Constituents regularly report the lack of ongoing or effective support for **tenants with mental illnesses**, particularly the impact of behaviour linked with the illness. They also report limited engagement with **disability** and **alcohol and drug support services**. I am regularly asked whether Housing NSW is using existing Anti-Social Behaviour Order powers to improve support and ongoing contact with health services, and the information sharing with the NSW Police that is supposed to help address crime and associated anti-social behaviour.

Many in the community suggest that existing schemes are only used as a last resort in response to sustained community complaint rather than as a mechanism to support tenants and prevent community impacts.

The government must make effective use of existing tools to provide sustained support for tenants with significant concerns that make them eligible for social housing.

I support strategies that are designed to help disadvantaged people get back on their feet and participate in activities and employment. The current rent subsidy arrangements appear to punish people who gain employment without providing a pathway out of social housing where possible.

The government should ensure that social housing rent policies support gaining independence and provide incentives for steps in that direction.

Communication

Many constituents who contact me about public housing tenancy management report limited or poor communication between departments, tenants and staff. Tenants regularly report that phone calls and letters do not get a response, Housing NSW does not provide updates on changes in key contact staff and offices, and they are not told about the work cleaners or contractors will carry out.

Tenant representatives report little support for them to hold precinct meetings and improve communication and information sharing with neighbours and tenancy teams. Confusion about relationships between Land & Housing Corporation and Housing NSW remain after several restructures, adding to tenants' frustration. The government must allow these agencies time to regroup and focus on client service rather than further internal matters.

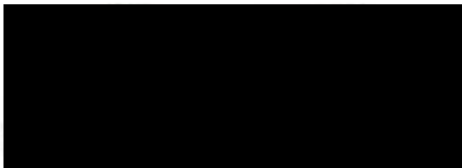
Housing NSW and the Land and Housing Corporation need to re-establish relationships and streamline accountabilities to ensure that the two agencies work effectively.

Summary

Social housing exists because of market failure and tenancy management must be seen as more than a simple real estate rental function. Increasing the supply of low cost housing and addressing the mismatch between tenants' needs and stock is vital, and the government must maintain inner city social housing that is close to major health and welfare services, public transport and jobs.

Housing NSW has a complex and difficult role, and requires appropriate staff to provide support to vulnerable tenants with complex needs. Effective tenancy management means working with the community and responding to these needs including community building strategies. I recommend improved allocations, transfers and repairs/maintenance, and better use of existing tools to prevent problems and improve safety and amenity for tenants.

Yours sincerely

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Alex Greenwich
Member for Sydney