

**Submission  
No 14**

## **TENANCY MANAGEMENT IN SOCIAL HOUSING**

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*Link Housing Response to:  
NSW Government Inquiry into Tenancy Management August 14*





## NSW Government Inquiry into Tenancy Management

The committee will inquire into, and report on, current tenancy management arrangements in NSW social housing with particular reference to:

1. The cost effectiveness of current tenancy management arrangements in public housing particularly compared to private and community housing sectors
2. The range and effectiveness of support services provided to tenants in social housing
3. Outcomes for tenants from current tenancy management arrangements
4. Possible measures to improve tenancy management services

“Link Housing has been a great help for our family so that we can have a stable home to stay and concentrate on work and study” Tenant Satisfaction Survey 2014

“I have only ever had good experiences with the staff at Link Housing. I found staff to be friendly approachable and professional. I know I am one of the lucky ones to have a home through Link Housing” Tenant Satisfaction Survey 2013

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## Executive Summary

**Link Housing Ltd is a Tier 1 Community Housing Provider. Link has been operating since 1984 and provides homes for over 2500 people.**

Tenancy and property management create a platform for Community Housing providers to reach out beyond housing to the broader community. Efficient tenant and property services should not be considered in isolation without looking at the wider services and benefits delivered.

Community Housing Providers are commercially run organisations, generating and recycling profits back into the sector, providing more homes & improved services for those in need. Community Housing has spent time building capacity, expertise and knowledge in the sector, developing thriving communities, linking residents to support and providing services to sustain tenancies.

**Utilising the Community Housing Sector to provide tenancy and asset management services to public housing will generate additional outcomes that should be measured alongside increased efficiency.**

- i. Additional supply of affordable & social housing
- ii. Building of partnerships & layering of funding
- iii. Building of mixed tenure communities utilising cross subsidy that promote social/economic participation and increased community well being
- iv. Competition which creates more ideas and innovative solutions, improves quality and delivery of services and shows value for money
- v. Regulation and performance benchmarking by the National Registration system

## Community Housing Sector

The Community Housing Sector is a growing vibrant sector across Australia as providers have developed a more prominent role in providing affordable housing. The Government has set a target for 35% of all social housing to be managed by Community Housing Providers by 2014. Motivations for these transfers include; leveraging finance for growth, service improvement, tenant empowerment and community renewal.

Within NSW there are already more than 30,000 homes, managed by Community Housing Providers. NSW has the majority of current Tier 1 Registered Community Housing Providers (10 of 14 nationally), whom make-up some of the most established providers of social housing, delivering innovative solutions and great tenant outcomes across the state.



## Background to Link Housing Ltd

Link Housing Ltd (Link) is one of the oldest not-for-profit community housing providers in NSW, having been formed in 1984. We have a history of providing affordable rental accommodation to people on very low to moderate incomes.

Link is a Registered Tier 1 Community Housing Provider and is a Licensed Real Estate Agent 10010626 providing management services for affordable properties.

Link is the successful amalgamation of 5 smaller housing providers, forming a company with 1,248 homes in management. We have an independent skills-based Board and the skills and financial capacity to deliver new ideas, concepts, and growth.

We provide a compassionate, client centred service for people who are at risk of homelessness or unable to afford market priced private rental in the Sydney Region.

Our management services extend from placing tenants into their new home, the collection of rent, coordinating activities with support partners, building the tenants social, economic and wellbeing through engagement activities and planning for & managing the maintenance of the properties to maintain high standards. The Community Housing Holistic Approach is detailed in the following section.

Link has been continuously accredited under the National Community Housing Standards since 2000. Link's most recent assessment in November 2012 awarded full accreditation for 3 years.

In our 2014 annual Tenant Satisfaction survey, 86% of our tenants said they were satisfied or very satisfied with Link's services over the year. Their response demonstrates how well staff and tenants have worked together to build strong relations, often during difficult times in the lives of our clients. This is a 3% improvement on the previous year.

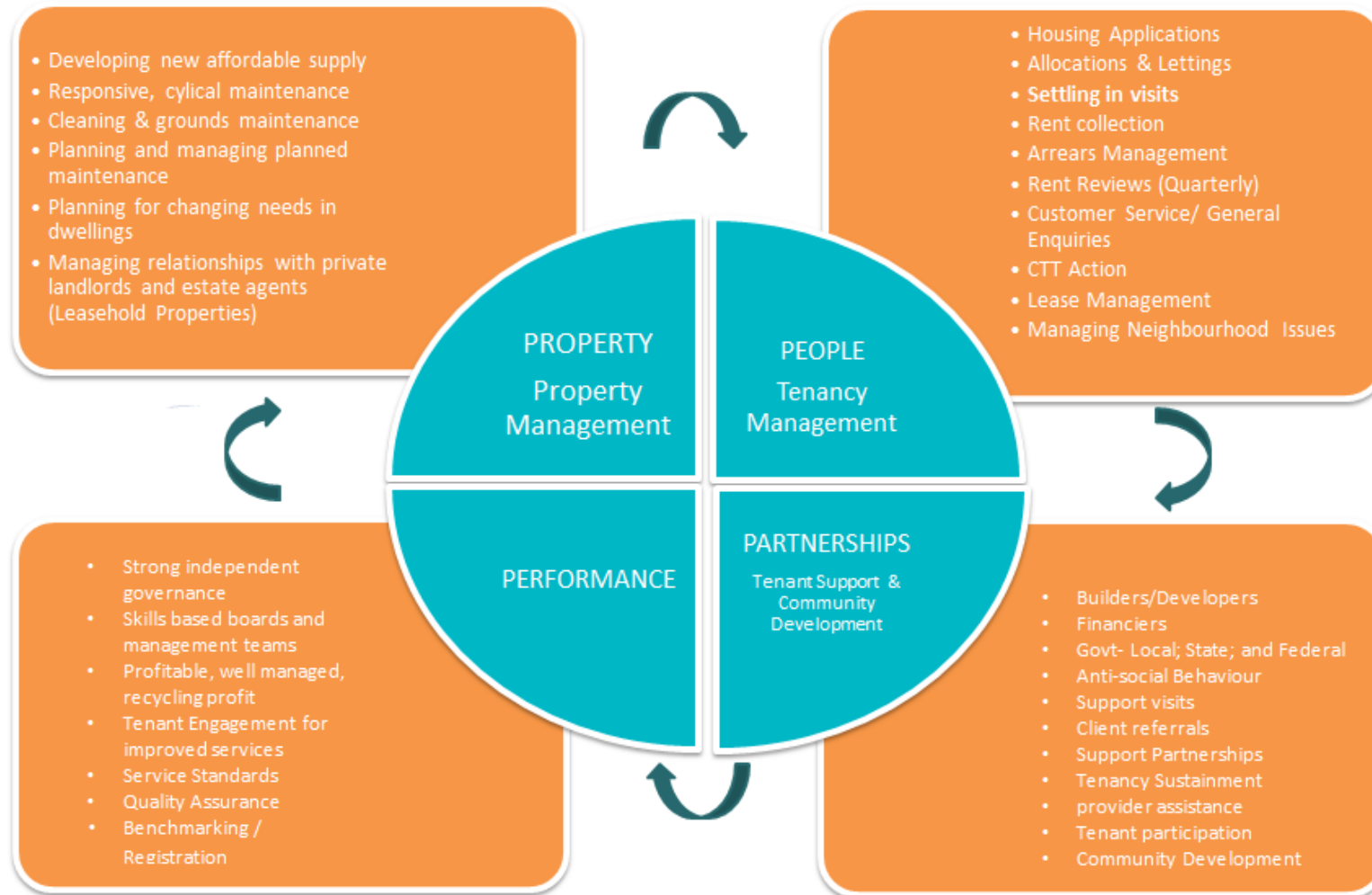
## Case Study

Willow (19 years old) has been supported by Burdekin since 2005 in the Community Care Program. After 4 years she progressed into youth housing and moved into a Link Housing property in 2011. Willow is in her final year of an Agricultural Economics degree at Sydney University and holds down two part time jobs at upmarket inner city hotels. Willow is a highly motivated, opinionated delightful young woman. She hopes to work in the viticulture industry upon completing her studies in November this year and has recently moved into the private rental market.

## Link Strategy



## Community Housing Holistic Approach



## Benchmarking Value for Money

Significant gains can be achieved by utilising the Community Housing Sector to deliver a holistic approach to the management of Public Sector homes.

As the table below highlights, Community Housing Providers deliver more outcomes, which in turn provide increased value for money, increase tenant satisfaction, improve tenancy sustainment, and increase economic and social wellbeing and deliver additional supplies of affordable homes.

	Private Sector	Public Housing	Community Housing
<b>PEOPLE</b>			
Housing Applications	☒	✓	✓
Allocations & Lettings	✓	✓	✓
Settling in Visits	✓	✓	✓
Rent Collection	✓	✓	✓
Arrears Management	✓	✓	✓
Rent Reviews	✓	✓	✓
Customer Service Enquires	✓	✓	✓
CCT Action	✓	✓	✓
Lease Management	✓	✓	✓
Tenancy sustainment	☒	✓	✓
Managing Neighbourhood Issues	☒	✓	✓
Changing people's perceptions of public housing	☒	☒	✓
<b>PARTNERSHIPS</b>			
Dealing with Anti-social behaviour	☒	✓	✓
Support Visits	☒	☒	✓
Building support partnerships	☒	☒	✓
Community Development	☒	☒	✓
Building relationships with Developers/Financiers for the supply of more affordable housing	☒	☒	✓
<b>PERFORMANCE</b>			
Resident Engagement in delivery	☒	☒	✓
Service Standards monitored by residents	☒	☒	✓
Benchmarking / Registration	☒	☒	✓
<b>PROPERTY</b>			
Developing new affordable housing supply	☒	☒	✓
Responsive, cyclical, planned maintenance	✓	✓	✓
Planning for changing needs in portfolios	☒	☒	✓
Sourcing new supply of leasehold property	☒	☒	✓
Managing relationships with leasehold landlords/agents	☒	☒	✓

*Over 3 decades, UK Housing associations have leveraged in excess of £40billion of private finance. This has created £16billion of operating surplus, which has been reinvested back into the sector.*

*UK Housing Associations now manage over 55% of the public housing.*



## PERFORMANCE

### **1. *Cost effectiveness of tenancy management arrangements in public housing particularly compared to private and community housing sectors***

Whilst a monopoly such as Housing NSW should bring economies of scale for tenancy management, an environment with a larger number of players generates competition which brings about improved services, greater value for money and a passion for delivering change and improvements.

The introduction of greater competition into the sector would generate:

- The creation of more ideas and innovative solutions to problems facing the housing sector – more outcome focused behaviour
- A focus on quality improvement, growth and development of the sector – measurable outcomes
- A higher cost efficiency in the service provision
- Contestable capital funding promoting value for money
- A diverse pool of experience
- Greater basis for lobbying for change in the sector providing better outcomes for the people served, through strong partnerships and relationships with Local Government and local communities
- Focus on customer service and improved deliverables to tenants and communities through place management and participation

Utilising the Community Housing Sector to an even greater degree than currently would bring superior benefits to the whole sector as Community Housing Providers bring it;

- Skilled Boards and Leadership Teams
- Greater capacity for the sector to deliver more outcomes, and the ability to take advantage of opportunities
- Commercially run organisations that recycle the profits for the benefit of the sector
- Obligations to contribute to social welfare, such as setting rents at affordable levels
- Opportunities to develop additional supplies for affordable accommodation through layering funding streams
- A mixed tenure approach – to ensure viability of business models and addressing the housing continuum
- Local knowledge and a more community led approach
- Competitive & simpler procurement
- Established partnerships, between all levels of Government, Private Sector and Communities
- Greater responsiveness to customers and greater involvement of residents.

## PARTNERSHIPS

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

Link currently works in partnership with 37 support providers, providing homes and support to 195 vulnerable tenants. Link has been working with some providers for over 15 years particularly supporting vulnerable youth to gain an education and enter employment.

Half of our tenants have a disability, either intellectual, psychiatric, physical or multiple. Link is committed to being a Partner of Choice and work with a range of support providers. Residents are either supported through a crisis or transitional phase, resulting from homelessness or through domestic violence. Other residents are those that require longer term or specialist care due to a disability, debilitating illness or to allow for residents to age in their home.

Link is proud to have a resident named John, who is a proud veteran of World War II and has lived a very fulsome life until he was diagnosed with cancer several years ago. Link was able to provide him with a home that provided space for his rehabilitation equipment, modifications to the bathroom and is wheelchair accessible for his future needs. John proudly claims that his Link home and the Department of Veteran Affairs are the reason he lives on.

In addition Link has built partnerships with a number of community support providers and through which are able to signpost many of our residents to services that help them improve their health, happiness and wellbeing. This has enabled Link to identify opportunities for providers to specialise in support, and Link to provide their housing services.

These relationships also identify opportunities to provide a better quality of life. For example one of our partners, Community Connections Australia has two clients with intellectual disabilities that were able to live alone with regular support. However, as these clients aged, they became increasingly lonely and benefited from regular contact with each other. However the distance between their homes prevented the level of desired contact recommended by their medical practitioners. Link was able to identify two neighbouring units that allowed them the regular contact and remain independent.

### **Increasing residents with support needs**

*70% of our tenants were either homeless or at risk of homelessness before they became a Link resident.*

Increased housing residualisation has resulted in a higher number of tenants with special needs and increased risk of failed tenancies.

We can show that through these partnerships we can achieve high levels of tenancy sustainment, with less than 1% of tenants evicted for breach of agreement over the past three years

## PEOPLE

### **3. Outcomes for tenants from current tenancy management arrangements**

Community Housing Providers are dedicated to delivering services that tenants need and benefit from. Link is committed to understanding these requirements and developing processes that enable continuous improvement.

Link also plays a strong role in connecting with local communities and their residents. Link has maintained a partnership with North Sydney Council since inception in 1984 and work together to prioritise accommodation for local residents in Council owned properties including boarding houses and free standing homes. Link is currently working with North Sydney Council to increase the number of properties within the local government area by developing a new-age boarding house in Wollstonecraft.

Through our “LinkUP” initiative, we continue to implement many more activities that help residents feel both part of the Link Community and help them get involved in the wider community. Our “LinkUP” initiative is about how we can capitalise on continually improving our services to residents by creating opportunities and links that promote health, happiness and wellbeing. The benefits of this initiative are:

- Tenants feel part of both the Link Community & have easy access to their Local Community
- Build both financial and emotional capacity of our tenants
- New tenants are embraced into Link and the Local Community removing the stigma of being a public housing tenant
- Our homes are looked after as tenants become proud of where they live and being a Link tenant
- Building stronger integrated communities.

Since 2011 Link has provided a total of \$59,040 in Educational Scholarship support to 18 tenants, providing them with access to training and education. Sophia is a 13 year old girl with a passion for music and a desire to learn the clarinet. Link has provided her with funding for the past two years to assist in the cost of music lessons, her participation in the annual state music camp and Sydney Youth Wind Symphony Band. Sophia is hoping to remain a Link Scholarship recipient so she can continue to pursue her passion for music.

### Resident Engagement

For Link it is essential that our residents get involved and we have built a growing and thriving tenant community.

- “LinkUP” initiative
- TAG – Tenant Advisory Group
- Block Meetings
- Newsletters
- Charity Events
- Satisfaction surveys
- Scholarship
- Gardening Course
- How our Services are delivered will be monitored through a set of Service Standards

## PROPERTY

218 properties were vested to Link as part of the Nation Building program. **By Dec 2014, Link will have delivered on its leverage commitment** and an additional 32 new properties will be available, with a capital investment of over \$12m, to people on moderate to very low incomes. We will be the first Community Housing Provider in NSW to have completed this contractual commitment – two years ahead of schedule.

Link is committed to assisting people at each stage of the Housing Continuum and provides a variety of housing solutions to people across the moderate to very low income spectrum. We currently provide diverse range of housing options to people who require crisis or transitional accommodation, general needs housing and affordable accommodation for keyworkers.

The breadth of the housing continuum and the community housing involvement is outlined below:



Not only are Community Housing providers committed to increasing the supply of affordable accommodation we are committed to supply accommodation that meets our client's needs. As both tenancy and property managers, we are able to look at existing portfolios and client groups and start to plan for the future, whilst engaging with the clients and wider communities.

With 45% of our residents older than 55, we see a continuing demand for social housing for older Australians. We know that well integrated housing and support services facilitate the best outcomes. In the past three years we have modified 38 properties allowing more people to remain in their homes for longer.

We are conscious of limited resources and know that housing affordability challenge cannot be resolved by Government alone. A combination of layered funding, creative use of land, and close working with Tier 1 & 2 community Housing Providers will generate greater solutions and outcomes, at less cost to the public purse.

**This investment by the Community Housing Sector supports the work carried out by Government.**

## Measures

### **4. Possible measures to improve tenancy management services**

The continued utilisation of the Community Housing Sector as tenancy and property managers, will not only bring greater tenant outcomes, it will provide a platform to build communities and deliver additional and much needed affordable accommodation.

As the Community Housing Holistic Approach model shows, outsourcing tenancy management alone, will not address the important issues such as anti-social behaviour, tenant sustainment and building communities.

Therefore measures of improvement in tenancy management cannot be considered in isolation. Other measurements that should be considered that factor in the full holistic approach include;

- i. Additional supply of affordable & social housing
- ii. Building of partnerships & layering of funding
- iii. Building of mixed tenure communities that promote social/economic participation and increased community well being
- iv. Competition which creates more ideas and innovative solutions, improves quality and delivery of services and shows value for money
- v. Regulation and performance benchmarking by the National Registration system, which provides
  - a. benchmarks across the sector – creating competition, which delivers better outcomes
  - b. a level playing field for the participation of the private sector