

REPORT OF PROCEEDINGS BEFORE

PUBLIC ACCOUNTS COMMITTEE

INQUIRY INTO TENANCY MANAGEMENT IN SOCIAL HOUSING

At Sydney on Monday 8 September 2014

The Committee met at 9.35 a.m.

PRESENT

Mr J. R. O'Dea (Chair)

Mr M. J. Daley

Dr G. Lee (Deputy Chair)

Mr G. Piper

Mr J. D. Williams

CHAIR: Welcome. Thank you very much for attending the public hearing of the Public Accounts Committee of the Parliament, which is inquiring into Tenancy Management in Social Housing. Today the Committee is hearing from representatives of community housing providers, advocates for social housing tenants, particularly client groups, local government, the private sector and advocates for public sector employees. Today is one of two days that has been set aside for a public hearing. Monday 15 September is not a full day but it is the second public hearing at which oral evidence will be given. We will hear from the Department of Family and Community Services and from academics researching the social housing industry, particularly the Australian Housing and Urban Research Institute [AHURI] project, which is timely.

I declare the hearing open and remind everyone to switch off their mobile phones as they can interfere with Hansard's recording equipment. Witnesses will have an opportunity to ask questions concerning procedural information that has been sent about witnesses and the hearing process today. Earlier in this meeting we authorised the media to be present. For the benefit of those giving evidence and for the benefit of the Committee, I note that there are students from the University of Technology, Sydney, as well as people in the public gallery. This is an open hearing. We are making people aware that the proceedings are being recorded and members of the media are open to report on anything that is said at this hearing. The Committee has received a number of written submissions.

TREVOR NORTON WETMORE, Acting Chief Executive Officer, St George Community Housing Ltd, and

ANDREW McANULTY, Chief Executive Officer, Link Housing Ltd, sworn and examined:

LUCY VERITY BURGMANN, Chief Executive Officer, NSW Federation of Housing Associations,

MARGARET KASZO, Chief Executive Officer, Southern Cross Community Housing Ltd, and

ANDREA MARY GALLOWAY, Chief Executive Officer, Evolve Housing, affirmed and examined:

CHAIR: Thank you for appearing before the Public Accounts Committee. Would any or all of you like to make an opening statement before the commencement of formal questions? Have you had the chance to confer and coordinate?

Ms BURGMANN: Yes. I will make an opening statement to the Committee on behalf of all of us. I will keep it brief because I know you are keen to ask questions. We appear as representatives of the community housing industry. It is a mature, capable and well-regulated industry that operates around the State, across Australia and internationally. In New South Wales alone we manage more than 35,000 tenancies. The majority are on behalf of government and we also own an increasing proportion of the portfolio. Like public housing, community housing exists because of market failure.

We help government deliver its policy objectives to house people who are in need of housing and we also help government to save money in the housing budget and elsewhere across government by ensuring that our tenants get the support services they need. By contrast, in the housing sector it is fair to say that private enterprise does not focus on delivering government policy objectives, but delivers market housing, which is becoming increasingly unaffordable. That is one of the contexts for this inquiry.

Community housing providers are effective tenancy and property managers. We have demonstrated expertise across the full suite of activities that are required to manage social housing well. The management of social housing tenancies is complex and specialist work. It goes well beyond collecting the rent. We provide localised services that go to the scope and diversity of our industry. The way that we go about the business reflects the needs of our communities and our neighbourhood and that is particularly important, given the concentrated nature of much of social housing at the moment.

We agree with the Productivity Commission and the State housing authorities and industry academics. You mentioned that we will be hearing from AHURI later. The comprehensive suite of data to measure the effectiveness of any form of social housing tenancy management does not exist and we strongly support efforts to change that situation. Nevertheless, the data that exists indicates that community housing is a cost-effective way of delivering social housing. We have low rent arrears. We have short turnaround times for vacancies and voids. We have high tenancy satisfaction and, as charitable institutions, we have competitive advantages such as tax concessions.

The submissions that you have received from us and from a number of other providers do a great job of illustrating the way we go about the business of social housing tenancy management, including supporting and sustaining tenancies and supporting and sustaining communities beyond the tenant group. It also illustrates the approach taken by individual organisations to measure the value of what we do, and we welcome the opportunity to talk to you further about that today.

In closing, I will say that the community housing industry is well positioned and capable and ready to do much more. We believe that the best outcomes for tenants and for the Government, and indeed for the community, would be for Government to work with us to transfer more properties under our robust regulatory system and to work with us to identify the right performance measures across the full range of the business so that everybody can be confident that social housing tenancies are and continue to be well managed.

CHAIR: Thank you, Ms Burgmann. Your opening statement recognises the focus of this Committee in large part, which is tenancy management. You have made some statements and indicated the broader context of your sector and the group that you represent. The Committee may go down one or two of those routes, being mindful that there are other inquiries going on at the moment, and also being mindful of some of the other important issues in the area. We are, coincidentally, also following up on an Auditor-General's report, which is

about making the best use of public housing. To some extent, some of those questions may be, if we get to them, directed at getting a fuller picture of the sector. But what we want to try to do today is focus more specifically on tenancy management so there is a lot that we can talk about in this space.

I will kick off with questions. We have a good amount of time to be able to explore issues. Unless a question is directed to a specific member of your panel we will let you be self-directed. I presume you all know each other well enough to ensure that everyone gets to speak. Many submissions that we have received draw attention to the complexity of the cost of social housing tenancy management. They have also noted that current reporting arrangements are not adequate for comparing performance between public, community and private housing providers. You have acknowledged that in your introductory comments as well. Based on the benchmarks and data that we have today, how can we compare the performance of the community housing providers with each other and what can we say about their comparative performance?

Ms BURGMANN: I might start and then others can dive in. I think it is, as you have identified, the emerging issue for this inquiry, and indeed it is exercising the minds of Government, academics and others who are trying to understand the cost of business of social housing management, tenancy management being one part of that, and then to build a broader picture of who is performing well or not under those circumstances, and what might need to change to improve that. From the community housing point of view, I think the most reliable form of data collection is through the Registrar of Community Housing. That is a government body but it is separate from Family and Community Services and separate from the old Department of Housing, which exists to monitor and regulate community housing specifically, so that is where we can point to industry-wide performance about some of those key indicators, vacancy rates, turnaround times for vacant properties, void properties, and so on.

There is a piece of information that I think is really valuable, but it is worth noting that no other part of the housing system is regulated in that way, so public housing does not report in a similar way. Of course, private sector landlords are regulated separately and do not report in that way. They do not have a public reporting face at all. The other thing that perhaps some of my colleagues can talk to is because each community housing provider is an independent organisation with a board of management, the directors there and the senior executives in the organisations are developing their own ways of assessing their own performance, because that is crucial to their governance. So we are developing a range of different ways across the industry for assessing what seems to be important to individual organisations and that might go well beyond cost. It might go to other performance outcomes, it might go to the value and it might go to outcomes for tenants.

At the Federation we are working on a separate project of collecting the data that providers report to a range of places, including to the registrar and under the contract to the Department of Community Services. We do that so we can develop industry-owned and industry-generated benchmarks, which will help lift performance and identify where there is already good performance and continue to lift it. That sounds straightforward, but it is actually relatively complex. It is something that is probably a few months off. However, we identified that being able to compare performance more readily is crucial to our industry. That will also allow us to compare more readily to public housing and other forms of management. That is possibly the most general answer.

CHAIR: Are you sharing that methodology with the Australian Housing and Urban Research Institute [AHURI] in regard to its process?

Ms BURGMANN: Yes. We have a representative on the AHURI reference group for its project and we keep it up to date on the benchmarking and the data comparison project that we are working on. There is not a lot for it to see yet. Our feasibility study will be released possibly as early as this week, and then the platform will be built over the next few months. We are definitely staying in touch with AHURI about that.

CHAIR: And that exercise is very much within your own sector, or is it also working with NSW Housing on any comparison?

Ms BURGMANN: It starts with community housing, but obviously having good, stable reporting in community housing allows for easier comparison with public housing as well.

CHAIR: Does anyone else wish to add anything?

Mr WETMORE: I would like to if I could. I am speaking for St George Community Housing. On page 9 of our submission we attempted a comparison that was produced essentially by the Productivity

Commission in 2012-13. It shows that on every measure—they are the important measures—community housing was ahead of public housing and State-managed Indigenous housing. It goes on to say that there is a paucity of information in this area. So that is the best shot they have made of it.

Ms GALLOWAY: To complement what Ms Burgmann was saying, the AHURI study is very important for us to be able to measure. It is not only for New South Wales. I think there are four community housing providers in New South Wales. They are also participating with Western Australia to get a comparison for Australia itself. That benchmarking exercise is really important so that we can all measure ourselves against not only community housing in general but also public housing and Aboriginal housing. Evolve Housing has a whole area that is focused on social impacts, social return on investment and how we get there.

As housing providers we want to be measured on that. We want to show our effectiveness moving forward. As was mentioned previously, it is not just about comparing us to the private sector or the government sector. There is so much more that community housing does in regard to outcomes. All of us agree that we are here for our purpose with regard to housing stress and homelessness. The wrap-around services that we provide allow us to achieve those outcomes in a more effective and efficient way.

Mr McANULTY: One of the key benchmarks against which every business in housing will measure itself is arrears and bad debts. Every organisation that wants to be viable would measure itself very closely against them. Like our colleagues, the arrears and bad debts at Link Housing run at less than 1 per cent. As a not-for-profit organisation, whether it is a landlord, government or whether it is our own stock, we are very efficient tenancy managers. As a not-for-profit organisation, we recycle the surpluses and that gap between how efficient we are into other forms of return, whether it is better tenant outcomes, place management or reinvestment in new stock. It fundamentally stems from the fact that we are efficient tenancy managers.

CHAIR: Thank you. That might be a good flow-on to my next question, which has been addressed in part. Are there other benchmarks that community housing providers use to measure their performance, tenancy satisfaction, staff-to-property ratios, access to support services, sustainability of tenancies, occupancy levels, maintenance performance, and so on? Can you compare provider performance in areas like rent arrears or numbers leaving social housing? Evolve is in there to establish how to get people out of social housing. Can you compare provider performance in those areas and how does the sector measure the cost of performing the social services that you mentioned—perhaps the softer side of tenancy management?

Ms BURGMANN: I will give a general answer and then others can give the specifics to illustrate it further. There is a wide range of ways that providers measure themselves and report. The information is provided to the registrar, the Department of Family and Community Services and the Productivity Commission through the report on government services and so on. The big challenge is comparing apples with apples and also getting the right peer groups. With the basic measures, such as vacancy rates or rates of arrears, it is best to understand the number and also the target group or tenancy group concerned. That might be different across providers or in different places. How does an organisation go about keeping its arrears or eviction rates down? What style of tenancy management allows that to happen? That varies, not only within community housing but also across the whole housing system.

A stark point of comparison is that in community housing the emphasis is on sustaining tenancies and keeping tenants in their homes. We know that in very large part we are the landlord of last resort. There is nowhere else that those tenants can easily go, whereas in the private market housing that might not be the case and sustaining tenancies might not be a concept that attracts a great deal of time and effort. If one of their tenancies fails, if a tenant is unable to pay the rent for a period, the interest is to find a tenant who can. With community and public housing the interest is a little different. Much more resources and effort are put into sustaining the tenancy and working with the tenant to repay arrears and to put something in place.

Those things affect not only the raw number of rates of arrears or evictions rates but also the cost of doing it. One of the things that we are trying to create across community housing—it will be of relevance to public housing as well—is an understanding of what it is we are trying to achieve. What are the full range of activities required to do that well, and how do we cost them rather than just focus on a staff-to-property ratio? A staff-to-property ratio is a really neat number, but it will hide more than it reveals. There is often a point of comparison between public and community housing about staff-to-property ratios. However, because the business is so different, community housing providers divide up the work internally in different ways.

All of the business is within one organisation, whereas in the public housing sector tenancy management staff are embedded in a much larger department, which has in-built legal staff and those sorts of things, and also in Ageing, Disability and Home Care and other services. It is really difficult in those circumstances to look at a single number like a staff-to-property ratio and to determine which one is fit for purpose and which is more efficient. I know that a number of the submissions from my colleagues deal with their key indicators and how they measure their own performance. It would be good to get some of those illustrations as well.

Ms GALLOWAY: We measure ours annually as part of our registration process. We benchmark against that not only with ourselves but also across the community housing sector. We try to use the same four questions every year so we can compare. We are very transparent about that in our annual report. I think that is a very important fact. We try to improve upon that. Part of our housing managers' key performance indicators [KPI] is to put people in rent arrears on a program so that they do not become homeless. It might involve repaying \$5 or \$10 a week. That is part of their core key result areas [KRA].

We also have an entire rent arrears team that focuses on that to avoid eviction. We have support workers like clinical advisers who work within a tenancy base to ensure that if someone has mental health problems, is ageing or any of those issues, they can be put in contact with the right support provider. We have about 25 of those relationships with our main support providers so that we can sustain tenancies wherever possible. Part of our whole strategy is strengthening communities and sustaining those tenancies. It is a really important core function of community housing.

Mr McANULTY: I am a big one for not duplicating things so that we do not waste money measuring things again and again in different formats for different organisations. That is partly what is being achieved with the national registration system. There is a national benchmark. There are eight key areas, including tenancy management, and there are many subheadings within that. Organisations are monitored and reviewed against how they perform in each of those eight areas. One of those key areas is tenancy management.

I think there are 14 organisations at tier one, and of those 10 or 11 are in New South Wales. The numbers are probably out of date now, but that shows there is a legacy of strong housing associations in New South Wales. This inquiry and others are looking at what is the next step to see that mature further. We are all in favour of good key performance indicators, but not killing it by overanalysing. As the largest landlord in the Southern Hemisphere one of the gaps is that there is not a lot of reporting about how Housing NSW performs. There is a lot of information about how community housing providers perform and we are up for closer scrutiny and more detail.

CHAIR: I want to pick up on a comment that Ms Burgmann made in her initial remarks. This is a broader question that is as relevant to tenancy management as it is to a range of other questions within the social housing sector. How will the expansion of the community sector, whether through property transfers or other means, improve the performance of the social housing sector? I know you support an increase in transfer of assets, and there are all sorts of questions in my mind about that. However, without letting Pandora's box explode, should the community sector enjoy special privileges such as Commonwealth rent assistance and tax-free status in addition to having benefits to be able to leverage through borrowing against assets? Is it fair for the community sector to have those advantages over the public sector? How might you otherwise be able to do better, even if you put those benefits to the side?

Ms BURGMANN: It is not a question of fairness; it is a question on behalf of the social housing system, which is public and community housing broadly, being able to maximise the value of what is available because there is not enough social housing. Housing affordability is a genuine problem right across New South Wales, especially in Sydney but not only in Sydney. Social and affordable housing are some of the key ways that government is able to assist individuals and families who are in housing stress to find somewhere that is affordable and appropriate to live. It is a question of maximising what is available, whether it is public or community housing or both, to be able to expand the system wherever that is possible. Public housing, as the Committee would know because of the recent Auditor-General's report into public housing, has really struggled to remain viable and keep its portfolio at its size.

We have been very encouraged each year by the fact that FACS is predicting a slight increase or at least holding stable the portfolio this year but this is against a decade or more of a reduction in the public housing portfolio. In that context community housing has been the part of the system that has been able to grow social and affordable housing, particularly thanks to some of the properties that have been transferred but also to

the expectation on providers that they will be able to use the rental income stream of the asset to bring in new resources in a way that has proved very difficult for government. Government can always borrow, but in a context where government decides not to community housing is able to borrow, is able to leverage, is able to build those relationships with private lenders, banks and others to increase the supply of housing for people who are on low to moderate incomes, and that is one of the things that is really sorely needed.

In that context if only community housing tenants are able to access Commonwealth rent assistance and public housing tenants cannot, which is the current Commonwealth Government policy setting, you use that as part of what enables community housing to grow and to grow its response to the housing affordability crisis. Were that to change—and there are lots of things that are on the table between the Commonwealth and State governments around federalism generally but specifically housing a homelessness fund within that—I think that would change the structure of the way that housing and social housing are funded and financed in Australia. We are all I guess positioning for what might come but for now community housing tenants are eligible for Commonwealth rent assistance.

What the State Government and community housing providers have jointly agreed is that community housing will maximise the value of that. So we collect the maximum rate of rent assistance through tenants and all of it is retained—it goes to the community housing provider rather than being retained by the tenant—allowing community housing to expand further. I think that probably goes to the heart of your question about rent assistance: whatever is available community housing providers find it and use it. The purpose of the organisations is to expand the supply of social and affordable housing, whether it is tax concessions through being a charity or access to rent assistance for our tenants or other forms of subsidy—perhaps concessions from local government in some areas—and we will put those to the same use.

CHAIR: You have said that you will take what is there and the system should use whatever the system delivers. But if for whatever reason some of those benefits were to disappear, why would your sector be better?

Ms KASZO: I am from Southern Cross Community Housing Ltd and I am talking from a regional and rural perspective. We cover from Nowra down to Narooma and out to the Snowy. We have had two major whole-of-location transfers—one in Ulladulla and one in Cooma. The end result is that the tenants receive a much better service than they did previously. We are connected to all the local services, be what they may in some of those areas, but we work within communities very well. In linking our tenants into services, we manage to do that quite well. The other benefit I guess is that with the transfer of those properties to us we can show that the income not only sustains the tenancies and the properties but also produces the surplus which then enables us to leverage, provide extra finance to put more properties on the ground. For country areas at least the very clear message is that community housing can provide a better service and produce a better financial outcome as well.

Ms GALLOWAY: It goes to the crux of diversity of innovation. There are some very smart people out there in community housing. Over the last number of years it has become very commercial. This is just one case—we have \$90 million in transfer. We have actually grown our balance sheet over \$200 million in 24 months. So obviously now it starts to leverage against that and create more outcomes. We are not asking for handouts from government; we are asking how we can partner with government for those outcomes. We need to be able to partner with the likes of Land and Housing and all those kinds of things to be able to produce that. If we can create more housing—we will talk a bit later about policy, maybe some policy changes or amendments that could assist us in doing so—it is really acknowledging the kind of brain trust they call it that is out there in community housing and coming up with some innovative ideas as to how to increase the housing portfolio and to manage that further.

It is not just about Commonwealth Rental Assistance [CRA]; it is about creating innovative ideas to deliver that. CRA is fantastic. Yes, we can turn a negative liability, a depreciating liability into a way we can maintain things. I think we spend about \$900 to \$1,200 a year on responsive maintenance and then maintenance is another \$900 on that. Because we collect CRA we are able to maintain that asset in a much better fit-for-purpose way than, say, public housing that is trying to remain commercially viable by selling off assets to create assets and to have a younger portfolio. The net increase is zero in public housing. We are trying to leverage that in community housing and to use the creativity of the whole organisation to do that for the New South Wales Government.

Mr McANULTY: I echo that there is a lot of entrepreneurial flair within the community housing sector. If the Federal Government turned off Commonwealth Rental Assistance it would not mean there is not

housing need in almost every bit of New South Wales; the sector would be looking at creative ways to plug that gap. As a sector we are starting to look at mixed tenure. We are starting to look at not just tenancy management of social housing but also affordable housing—looking at shared ownership housing and maybe even looking at market housing. It is not because we necessarily want to do those things; we realise if we really want to grow we have to be less reliant on government funds.

There is a wider segment of need in New South Wales than purely people who are homeless or purely people who are waiting for social housing. It is about us being self-sustaining as businesses as well as our tenants being self-sustaining and having less reliance on government funds. I think we are really at a very interesting spot in community housing in New South Wales because organisations have a lot of good leadership and a lot of ideas in their leadership. It is really about how that is going to be harvested and hopefully secured for the benefit of people in New South Wales.

Mr WETMORE: I would like also to stress the localised manner of our services throughout our 23 local government areas [LGAs] that we operate in. We identify support partners and work collaboratively with them and the tenant to uplift the tenant, maybe find employment and certainly stabilise their housing and any disabilities or mental disabilities they might be suffering through the support partners. It is very much a localised approach and it is focused on the tenant. We see tenants as the heart of our organisation and therefore if we can uplift them the rest of society is improved.

Ms BURGMANN: Can I add one more thing? There is a word here that no-one has used as yet but it is core to it—flexibility. It is a challenge for government to be flexible because people expect government to deliver the same service everywhere. In fact, what social housing tenants often need is something that is just not the same everywhere. Community housing providers can be a part of the social housing where innovative ideas are tested, where new things can happen. Perhaps some tenants can be helped to transition through social housing and into affordable housing, and perhaps into the private market or into home ownership, through a more flexible approach to the way that they pay their rent or the way that their income is assessed. I think community housing offers to government a real resource in being able to do something differently, especially in this context. What we see across social housing is that just continuing the same things is not necessarily going to lead to a result that anybody is gunning for. Community housing is one of the ways that government can work with a trusted partner to bring some flexibility into the system and to try to achieve some results that suit the needs of individual tenants or of communities or the community as a whole.

Dr GEOFF LEE: My question is directed to the whole panel. What is required for providers to achieve registration under the National Regulatory System for Community Housing [NRSCH]? What benefits will flow from the registration in regard to cost-effectiveness and in broader terms?

Ms BURGMANN: Who has been through it recently?

Ms KASZO: I have.

Ms BURGMANN: You have all been through it.

Ms KASZO: We have been jumping these hoops for a very long time. We started initially in New South Wales with our own basically benchmarking and accreditation system. That morphed into the New South Wales registration system and it has morphed again into the Federal system. It is a fairly robust process. Any system that makes you look at what you do, measure it in a very decisive way, is very worthwhile for all the organisations. For us, we think the outcomes of the national registration system are a good thing. It provides a benchmark for us but it also provides a benchmark for government and some assurance to government that it is doing what it should be.

Ms GALLOWAY: I absolutely agree with Ms Kaszo. One of the things it does is to give a level that private financiers or the private market can look at. They know we have gone through all these exercises around governance and transparency, business processes and improvement, and all those kinds of things. Add to that that a lot of our organisations have gone through the global market process which is another—like an ISO-type standard. If the private side is looking at us through financing—it could be super funds, it could be trusts or whatever—they know we are at this level and we have the capacity and the ability to do so. So this national regulation is really important. It is really important that New South Wales has led the way—I think that is fantastic—and most of the tier one providers are in New South Wales. Unfortunately, Western Australia and Victoria have chosen not to do that, which causes some issues. But being a tier one or a tier two really gives

confidence in the market that we have the ability to deliver around our transparency and governance in the way we run our businesses.

Mr McANULTY: I think what is coming across is that the sector is not positioning itself to just do the same thing; the sector is positioning itself to morph into the butterfly to do something more interesting and bigger. So with the national registration that is the most important thing it does. I think everyone is open to private sector competition and private sector involvement but they should go through the same process of regulating and measuring themselves against something as robust as the national regulation system. That is appropriate because if we are positioning ourselves to take on debt from NAB or Westpac worth hundreds of millions of dollars they will expect it or they will not lend it to us. In the same way with government, we should not expect a greater role from government if our businesses are not robust enough to grow and take on that next level of challenge. That is what NRSCH is positioning itself for.

Dr GEOFF LEE: My next question is directed to Ms Galloway. I read your submission with some interest. I particularly liked how you focused on the fourth term of reference—issues for attention in tenancy management on pages 6 and 7. You have identified some interesting barriers because of the huge demand and limited supply, which is causing huge waiting lists. I note that you made a number of recommendations but what are your top three recommendations to improve tenancy management?

Ms GALLOWAY: I will try to incorporate all 10 into that—no, the top three. I think one of the big challenges we have is around—we have all talked about this—the pathway from social to affordable and, hopefully, even assisted rental into the private market. Right now, as we all know, the public housing system is quite broken. We want to make sure that we get the outcomes for the most vulnerable in our society, which is obviously around the elderly and disabled and other parts of it. An example is that we have about 10 per cent of our tenancies paying market rent—they choose to pay market rent rather than be assessed for their income—yet we have affordable properties coming on the market where we have absolutely drop-dead kind of marks on affordability. In other words, if you have an affordable SEPP that is around planning, capital grants or NRAS, you have an entry point of a certain figure and you have an exit point of a certain figure.

Obviously, one does not cover all local government areas, because it is either Sydney or other. As you know, there are different rents in all of Sydney, so we cannot get that affordability. There needs to be a pathway. Right now if we try to move someone from social to affordable, they will not move because it is a safety net for them. If they get affordable and sign a one-year lease and they lose their job they go back to the bottom of the waiting list, which is really something we need to address. I know a number of other States are offering some rent assistance, but we need to have that safety net from social to affordable to encourage people to move across that scenario.

We also need what I believe are some suspension policies around current tenancies. I know there are three-strike rules in various States, but if it is obvious someone is being fraudulent, if it is obvious that there is drug use or a drug lab, if it is obvious that there is continuous noise and annoyance, we should have the ability to suspend them for a period from the waiting list—I would say about 12 months would be a good way. Right now we do not have flexibility around that. With that, we also need to understand that scenario between community housing providers. Right now if I evicted Joe Blow because of drug use, they could turn up at Andrew McAnulty or Marg Kaszo or Trevor Wetmore tomorrow and they would be inheriting a problem rather than us understanding that the person does not need to be blacklisted but needs to be highlighted in the system that they are in rent arrears. We do not have the ability to do that. I believe you can do that in some homes, but we do not have the ability to put that across.

From an Evolve perspective, the other issue is reviewable tenancies. Our management agreement is only for three years, but we should be able to review the tenancies because, from our perspective, getting a home is not a destination. It should be the journey you go through and we should be there to assist people through that period and move them through, either by assisting in jobs, educational bursaries or those kinds of things to get them through a stress period and move on. We need to be able to review those tenancies. I am not saying the period is three or five years, but we should have the ability to say, "Have you moved through the pathway? What can we do to assist you to move through the pathway?" Right now community housing cannot do that; we cannot review those tenancies. Those would be my top three, roughly.

Dr GEOFF LEE: I have one further question, if I may. Ms Galloway, you mentioned this on page 8:

Under present arrangements social housing tenants can, after initially qualifying for social housing, choose to pay market rent rather than disclose income.

You are talking about sharing of information and that some people may choose to pay market rent rather than disclose personal income and assets. I see this as a huge issue; people may have huge incomes and assets and choose to stay in social housing, which means people in vulnerable situations do not get housing. These people are taking the place of someone more deserving. Can you elaborate?

Ms GALLOWAY: I absolutely agree with you. One of my top three priorities is to have that safety net or pathway to encourage people paying market rent to move out of social housing to free it up for those who are vulnerable. There could be some sort of assistance program over a period. It could be that if you go to an affordable or market rent you stay in that slot on social housing. We basically want to free up the system for the most vulnerable. Obviously there are people you cannot move through the system, but those paying market rents need to be reviewed, especially those who choose not to be income-assessed. They obviously are earning more than the particular salary.

Dr GEOFF LEE: Would you include things like tax records or bank balances?

Ms GALLOWAY: Absolutely. That is one of the things. We cannot ask too many questions. We ask some questions, but we could have access to information—I know there are privacy issues around things like Federal income tax records and visa-type records. Right now if someone from overseas comes in and says they are married, we cannot verify they are married. All they show is a marriage certificate, and we have a statutory declaration to say they are married. If they have a house overseas, we have no idea of that. To have access to their income tax records would help us assess their ability to qualify for social housing. The whole goal is to house the most vulnerable people and relieve some of that. We have had a policy that allows us to progress along that. I would not call it a big stick, but we need to ensure that we can assess them correctly through the process.

Dr GEOFF LEE: So the right people get the right houses?

Ms GALLOWAY: Yes.

Mr GREG PIPER: Following up on the question from the good Doctor, Ms Galloway, in relation to the appropriateness of tenancies based on income, is there any qualification of what the problem might be? I heard your answer and I think it is an issue of fairness and equity when we are trying to look after people in most need. Is there a substantial problem of people using false records to get social housing?

Ms GALLOWAY: It is the 80:20 rule, like anything. I can only speak from the perspective of Evolve Housing. I guess it is different between local government areas. I have spoken to community housing providers up north and down south. We have 10 per cent of our tenancies paying market rents. To me that means they have jobs, they have income.

Mr GREG PIPER: It is a flag to you.

Ms GALLOWAY: It is a flag and there is no policy to move them out of that house, or even a policy that they could buy that house, a shared equity program. It would be great if that happened, but right now it is a problem for us. We know there are vulnerable people in society and that in Parramatta, for instance, there is a 10-year waiting list to get a house, and that is just for one- and two-bedroom houses, let alone three- and four-bedroom houses for large families. We want to make sure there is a policy to enable us to move them with confidence. We do not want to make them homeless, but give them some incentive, whether it is paying for them to move or giving a rent subsidy in the private market sector or a position on the waiting list. There has to be a pathway for that. I am only speaking for our area, Western Sydney. I do not know whether other areas are different for market rents.

Ms KASZO: Can I make a comment? Basically, in our area we have a huge unemployment problem, so many people who get employment are casuals or in part-time work. There is a reluctance to give up their social housing because of the indefinite tenure of their employment. They are certainly capable of going into the private rental market, but they have a fear of losing security. That is one reason they are not moving on. Maybe there is something we could do about that. Maybe we should encourage them to move out with some sort of sunset clause to re-access it. I do not know the answer, but from our perspective it is not that there are people with a Mercedes and a huge bankroll sitting in our social housing; it is more that they have just reached the benchmark where they have to pay market rent, but they are loath to give up their security.

Mr GREG PIPER: We watch examples of those with a Mercedes and huge bankrolls on *A Current Affair* or some such program; they are best placed to identify those people. I was trying to get a feeling for the quantum of the problem. Ms Galloway suggested that the flag was for people in long-term employment paying market rent so you would think the situation needs to be looked at more closely.

Mr McANULTY: In each of our submissions we talk about the housing continuum in regard to homelessness, accommodation in social housing, affordable housing, shared ownership and market housing. The number of people who get into social housing fraudulently would be miniscule—a very small number. It is about people who start the transition and do better. The thing to try to do is not to penalise someone for doing better, but how to create a pathway for them. We are all looking at schemes where affordable housing is a good step to shared-ownership accommodation where people can afford full rent. How do we get them to part-buy a home to increase the sustainability of our businesses by them buying and us using the freed-up house?

Mr GREG PIPER: Would it be fair to say that many people improving themselves while in social housing have never experienced being in the private market? Is it generational; they have had access to social or public housing?

Ms KASZO: No, I think many of those people have been burnt in the private rental market. They perhaps had employment, lost employment and were not able to pay the rent and so looked at social housing as a safety net.

Ms BURGMANN: Just to add to that, because the amount of available social housing is a very small proportion of the market, most low-income people find their way in the private rental market. They are paying very high proportions of their income in their rent and they are finding it a very unstable tenure because as soon as something goes wrong for them, somebody in the family gets sick or their work that used to have some overtime no longer has overtime or their hours drop, they are forced to move and find another property. They tend to cycle through the private rental market rather than being in social housing just because there is not enough of it. You have heard community housing providers talk about the range of ways they are trying to invent to encourage tenants who can to move to a different form of tenure, whether it is affordable housing or supporting someone in the private rental market and giving some access back into social housing if they end up needing it.

Social housing is very lumpy; you either have it or you do not. It is not like healthcare services where you can drop in and out if you need it. Once you have given up your social housing property, you have to wait 10 years to get it back. If the lack of security in the private rental market is one of the things that holds people back from choosing to move on maybe policies need to be put in place to address that. Because most social housing tenants pay income-based rents, up to the market rent but based on their income, there is already a disincentive for them to get more income, take a job, or for one of their children who lives in the house to take a job because part of that income ends up in their rent.

If that also were to mean that they were ineligible for that property, that is the biggest disincentive you can imagine. If by getting a job you lose your home, lots of people would make the very rational decision not to get a job. It is a difficult decision to make. One of the things community housing, with the policy settings we have and in our advocacy and our discussions with government, is trying to figure out are better ways to remove some of the disincentives and make it possible for tenants to want to seek opportunities and to make it worth their while to do so, rather than making that a risky thing for tenants to do.

Mr GREG PIPER: I want to get an overview of the community housing stock that you have; the quality of it, the average age and its suitability for purpose. Are you able to fit families or individuals to appropriate housing stock?

Mr WETMORE: I cannot quote exact numbers, but we have had a program to look at under-occupancy of housing stock to come up with a program for how we could move people into alternative stock. The Nation Building Program, where we received new stock from the stimulus package, assisted us in trying to sort out some under-occupancy that occurs when people stay in housing for too long. The key to solving that problem is getting the housing continuum to work and putting in encouragement for people to move on through it. I think shared home ownership is a way. This State does not have shared home ownership; it is probably the only State that does not have any effort in that area. That is a way, especially in Sydney where rents are so high

that to get a share of the ownership they would not pay any more than they are currently paying and at least they then would have a real interest in moving on and up.

Mr GREG PIPER: Gaining some equity in the property?

Mr WETMORE: Yes.

Ms GALLOWAY: Going to the crux of the question, we have about 2,700 properties and we have an entire asset management plan for those properties. You have to define what is fit for purpose and what is not fit for purpose. With three-year management leases it is very hard for us to come up with innovative ways to improve those particular properties. If there are five houses in a row owned by public housing and we know that we could put 15 houses in there we would love to be able to go to the local planning controllers about that. We cannot do that unless we have title or at least some long-term management leases to be able to leverage those forward revenues. We all can do that. I think we had a gatekeeper in the past who said, "We do not have a social housing policy and we do not want to hear your ideas." We could do that today. We could increase the portfolio by leveraging against that in the private market.

The ageing of properties is going to continue to be an issue. Sometimes we go in there upon vacancy or void and say, "Is it worth us putting a new kitchen in this house and spending \$10,000?" If we knocked it down, and the four opposite it and built 20 new houses, that could be a better outcome. The elderly person who was in a three-bedroom house could then go into a one- or two-bedroom house; and we could have other tenants in two-bedroom or three-bedroom properties. It is about having the flexibility with government to do that, and right now we do not. We want to work with government to make that happen. We are finding that there is a brick wall there.

Mr MICHAEL DALEY: How long would you typically need? Would it be 20 to 25 years?

Ms GALLOWAY: Probably 25 years—that would be a minimum.

Ms BURGMANN: It is about the length of the term of a loan, if you want to think about it that way.

Ms KASZO: And 99 years would be really good.

Ms GALLOWAY: Yes, 99 years would be fantastic. We can produce outcomes and we have produced them.

Ms KASZO: To add to Andrea's point about looking at the housing stock that we manage but we do not have title to, we can look at the example of Cooma. We manage about 160 or 170 properties there, which is a whole-of-town location. All of those houses are fairly old. They are from the early 1950s. There is an ageing population there and lots of people under-occupying properties but there is nowhere to move them to.

Mr MICHAEL DALEY: Its sounds like Maroubra after the war.

Ms KASZO: Absolutely. We know the population is ageing and we know of the need for smaller accommodation. Back to an earlier point, the stimulus was a great opportunity for us to move people from three-bedroom houses into one- or two-bedroom houses. They were happy, delighted, to do so because they were getting somewhere that was more suited to their needs. When you do not have those initial properties to move people to you face a bit of a dilemma.

Mr MICHAEL DALEY: At the outset of this hearing you spoke a bit about the types of organisations you were and how much stock you had. It went basically to the size of your organisations. Is there an optimum size for a social housing provider? Do you start to get too big and clunky at a certain size?

Ms BURGMANN: That is a great question, and it is a perennial question around social housing systems around the world—how big is too big and how small is too small? I do not think there is a fixed answer. Sometimes people say that 10,000 properties is about right. To me it is about how the organisation is structured. So you may well be viable if you are smaller than that if you specialise in a particular target group or a particular geographical area and you do that really well. You may well be viable with more than 10,000 properties, provided you structure your organisation in a way that allows you to get the benefits from

efficiencies of scale that are genuine—back of house sorts of things—and you are able to retain a really local service and be really flexible and responsive to the needs of tenants and communities.

We have heard that Housing NSW is the biggest landlord in the Southern Hemisphere. That probably means it is too big. I think it is really struggling to do its job the way it is structured at that scale. It has 130,000 or 140,000 properties. There are community housing providers in other jurisdictions that are approaching that sort of size, and those are numbers that are unthinkable here in New South Wales. I do not think we in New South Wales are approaching the upper limit of the right size for an individual organisation. So it depends a bit on how they structure themselves. It also depends a bit on how they define their purpose and their remit. They may be not only a community housing provider but also providing disability services or other things, which means you would start to measure their scale in a different way.

Ms GALLOWAY: I agree with the figure Lucy mentioned of about 8,000 to 10,000 properties, but they cannot be in disparate areas—whole of area is really important. In some of our portfolio we have public housing right next to community housing and they are sharing electricity and common areas. It does not make sense. If we are going into a building we need it to be either community or public housing. So give it whole of area so there is flexibility and we can have concentration. We all have very sophisticated back office systems. Let us leverage off those back office systems now. We can increase the interface, from a client perspective, in housing management. So I believe the figure is around 8,000 to 10,000 properties but it needs to be whole of area, not interspersed, so that we can get some outcomes in that community. It could be a program that you could do along a continuum. You could sell some to the private market. You could sell some to the people in there now. You could put programs in place. But it has to be a concentration of properties.

Mr MICHAEL DALEY: One of the issues mentioned earlier was that there is no way to share information between organisations or between any of your organisations and Housing NSW about someone who is a perennial offender or, for want of a better phrase, a problem tenant. I would have thought that would be a simple sort of systems issue. What is preventing that from happening?

Ms GALLOWAY: I have not been in my current role long enough to comment. I have only been in the role for about three years. I understand that we were able to do that previously and then for privacy reasons they stopped us sharing that information. Is that correct?

Mr WETMORE: I think it is a privacy issue.

Ms BURGMANN: So the system exists and within public housing that information is shared.

Mr MICHAEL DALEY: If someone gets kicked out of a pub on a Friday night, the pubs in the local area are allowed to share information about who that person is.

Ms GALLOWAY: We do have a record of understanding we can go to the police with, and we can share information. It is more about the fact that we have access to the entire system—we run off the same waiting list as public housing—but we cannot input into that list that, for example, this person was evicted or whatever, whereas Housing NSW can do that. We can see what they write but we cannot input information.

Mr MICHAEL DALEY: Is that a Federal privacy consideration or at a State level?

Ms BURGMANN: State and Federal privacy laws both apply. I think it is probably fair to say that it is a bit of an anomaly in the way that, as Andrea just mentioned, the shared waiting list operates. Both public and community housing access the waiting list in the same way but they do not have exactly the same inputs. It is something we are working on with the department at the moment. It does need to be resolved so that it feels less like a loophole really. It is not a fairness or unfairness thing between providers; it is really just that the system has that sort of built-in loophole at the moment.

Mr MICHAEL DALEY: And it is the same sorts of considerations that prevent you from asking for taxation returns and things like that, is it?

Ms GALLOWAY: Yes, we have brought that up before. They said there are privacy issues. You could data mine that dataset and do all sorts of things. It needs to be investigated further.

Mr MICHAEL DALEY: Could you not make it a contractual term? One of the terms of the pre-contractual negotiations could be that you had to provide your tax return, and if you did not you would not get a start.

CHAIR: The statute might overturn the contract. Mr Daley, that might be a discussion that the Committee can engage in later. I am the Deputy Chair of the Legal Affairs Committee, which is looking at this issue in the context of debt recovery. One might draw the conclusion that the privacy pendulum has swung too far the other way but let us talk about that offline amongst Committee members.

Mr JOHN WILLIAMS: Regarding problem tenants—and I might have this wrong—but generally to evict a tenant you need to go through the NSW Civil and Administrative Tribunal [NCAT]. Is that correct?

Ms BURGMANN: Yes.

Mr JOHN WILLIAMS: So that would be a pretty reasonable source of public information. The information of the tribunal in regard to its hearings is public, is it not? So you could get a bit of a record of who has caused problems in previous tenancies.

Ms BURGMANN: I am not certain that records of the NSW Civil and Administrative Tribunal are public. It is a binding process but it is relatively informal, as opposed to a court process.

Mr JOHN WILLIAMS: Yes, but I think the record is public. That is my understanding. It is based on the people providing evidence.

Mr MICHAEL DALEY: It is, but there is no database you can go to and put in someone's name.

Mr JOHN WILLIAMS: Given your mix of portfolio and that you manage two types of housing, when you are managing housing on behalf of the New South Wales Government do you believe that the conditions it might apply to the management of that housing create any restrictions which prevent you from operating freely, as you would in the other part of your portfolio?

Ms BURGMANN: Yes.

Mr WETMORE: It certainly does because the leases that they provide those houses to us on are too short really, as we pointed out earlier, to really invest in that house as such. So we will maintain it to a tenable standard and we obviously engage with the tenants. We also end up with mixed management blocks where Housing NSW has 40 per cent of the block and we look after the other 60 per cent, which leads to problems with common area maintenance, who phones whom in order to get maintenance done and things like that. So we advocate that each block be managed by one entity and that there be longer leases in order to be able to invest in upgrading the property and to have a longer streamline of return.

Ms GALLOWAY: Another issue is Centrepay deductions. Today it is voluntary for a person when they sign up to say they will deduct. So they will come into our office and sign up—and this is an example from Evolve Housing; it may not necessarily apply to everybody—and then they will walk around to the Centrelink office and stop that payment. I do not know whether government has the ability to take rent out of their payments as a first priority. It would assist. Currently there are inconsistent decisions. Someone might go to one Centrelink office and the staff member there might say, "Have you asked your community housing provider if you can do that?" At another Centrelink office the staff member might just say, "Okay, we will just do it." It would make it much easier if there was consistency. I am not sure whether public housing deducts rent, but if you do not have a roof over your head it is very difficult.

Mr JOHN WILLIAMS: I would have thought that there would be some condition you could put on the agreement with the tenant.

Ms GALLOWAY: But they can change it in a snap.

Mr WETMORE: It is voluntary

Ms BURGMANN: It is voluntary in public housing as well, although I know they have identified that as an issue.

Mr JOHN WILLIAMS: Obviously you are dealing with complex tenants. Outside the collection of rents, what services do you provide tenants in regard to the day-to-day management of their own situations?

Ms GALLOWAY: Evolve Housing has many programs. We have tenant employment programs where our multi-trade contractor, as a condition of that multi-trade contract, can hire a number of employees. We have training programs. We have a relationship with a training organisation called Astute Training. It offers unemployed people access to money management and business courses, Certificate III training in aged care and that sort of thing. We have education and bursary awards, which allow people to get to the next step or level. There are all sorts of different programs that community housing organisations have. We have a program called the Friendship Aged Network [FAN] where volunteers help out the aged. We have literacy programs for multilingual environments and computer training for the elderly.

Mr McANULTY: It is great that this inquiry is looking into tenancy management. Link Housing does "vanilla" tenancy management, you could say but, because we are a not-for-profit and we are interested in complicated cases and those most in need, we link in with 37 other agencies to provide support independent of us. So we have service level agreements where they can provide assistance to our tenants. We want to do the best thing by the people living in our homes, the neighbours and the owners of the assets, whether it is us or someone else. So we link in with whoever can support that person and help them to succeed—and ensure that they do not cancel their Centrelink payments, ensure that they do not annoy their neighbours, and ensure that they continue to pay their rent and link in with their support providers. About 80 per cent of our people are just regular New South Wales citizens who need a home, who are very grateful and who pay their rent with no support.

Ms KASZO: Southern Cross Community Housing covers a bigger geographical area and has more partners—we have around 80 partners. About 450 of our 1,100 tenants are people with some sort of disability. So we need to work really well with our collective partners to ensure that the tenants not only have a roof over their heads but also improve. Most of our tenant surveys show that once you get that stable home in place and you get the supports linked into those people their health can improve, their wellbeing improves and they have more opportunities for education, employment or simply volunteering in their communities. So we look at our role not just as being a landlord but also helping people to get back on their feet and get their lives back together.

We have a range of programs, and I will give you the specifics of two which might help to illustrate our work. One program we run is the rent it, keep it program. We took a Housing NSW program and we modified it. We take that program out to people who are trying to rent in the private rental market, knowing that they are not going to be accessing social housing. So we go to the drug and alcohol centres and we go to the jails and we go to the women's refuges and we school those people in the best way to get themselves into the private rental market. We have got the local real estate agents on board and they often act as a trigger for those people to get rental properties.

Another one we do is yard assist, which means that our tenants are organised to go out and help people in their homes to look after their properties if they cannot do that. That means that their properties are maintained, but it also builds the community because people are going into their homes and they are communicating—they are bouncing off one another about how things are happening. They are two small examples to give you an idea that we do not just manage properties.

Mr WETMORE: I will add a few things to that. We have a quarterly newsletter that goes out to our tenants and obviously encourages them in good tenancy management but also there are some other opportunities. We have also deployed the vulnerability assessment tool to try to pick up people who are struggling to sustain their tenancies early on and therefore work with them, because the last thing we require is them to become homeless. Those are just some of the additional things we do.

Ms BURGMANN: To give an umbrella over all that, because you have training, employment and education, disability support and health care, vulnerable people exiting, homelessness and crisis refuges and so on—and that is a snapshot of what the tenancy cohort increasingly looks like—providers bring those wider services, either delivering them directly or through the many partners that people have talked about not just because it is the right thing for the tenant, although it absolutely is, but also because it is the right thing for the business. It is one of the ways you make sure that that tenancy works, that you do not have rent arrears and that

you do not have to evict someone and then find somebody else for the property. It is that combined social and commercial decision.

One of the things that community housing providers are able to illustrate is that if they did not do those extra services that burden would fall somewhere—it would probably fall on a government department somewhere. So those dollars would have to be spent somehow. Packaging it up is a very efficient way of getting a really great outcome, and that is why the providers do it. It works for both sides.

Mr JOHN WILLIAMS: Do you believe this differentiates you from the Department of Housing and the management of accommodation and stock?

Ms BURGMANN: I think it does. There is no question that people in public housing also attempt to find the right supports for public housing tenants—that is absolutely the case. However, what we know and people from the government side will say it as well, community organisations that are often the place that those other services are delivered from are much more prepared to partner with a community-based organisation than with government; the pathway is much wider. I do not know whether anyone else wants to give a specific illustration but that is the message we get from the community partners, from community housing and, indeed, from public housing staff.

Mr JOHN WILLIAMS: So if we looked at some of your survey results and at some Department of Housing stock for which you took over management, would we find that some of the comments coming back in the survey reflected that they felt better under your management than they did under the previous management?

Ms KASZO: The housing stock in Cooma is fairly dated. Many of those tenants had not seen Housing NSW for some time. With due respect, I give credit to the Housing NSW team that we worked with to get that transfer across. We worked exceptionally well as a team. But once the tenants transferred to us we did a survey and the satisfaction with the increased presence in the town of Southern Cross, the increased maintenance that they received, the increased approachability of our organisation linking them into services, meant that the general tenant response of satisfaction was more in the nineties than any other figure. We were welcomed with open arms, if you like to see it that way, by that community and those tenants. So I think it was a good process for us and it was a good process for them.

CHAIR: I want to pick up a couple of threads. I do not want to go over the same ground but extra input would be appreciated. You talked about some of the special tools and programs perhaps unique to the community sector or particular community providers and some of the good outcomes that those tools and programs are delivering. Do you think that some of them—the vulnerability assessment tool, other programs like the neighbourhood planning tool, the Entry Steps to Employment Program, the Rent It Keep It program—should be mandated more across all providers? It is a difficult thing with innovation—you have to sometimes try things—but where there is demonstrated success is there a path to rolling out some of that success more broadly across your own sector and also the public sector?

I will leave that as a question. However, mindful of what you are saying that some of the social support should not be totally separated from the tenancy management around just the accommodation, I want to explore that a bit and how you then separate them for the purposes of measurement and the like. Let us just stay with the first question in regard to some of those special programs. Is there anything to add?

Ms BURGMANN: I will answer on behalf of the Federation. Part of our job as the peak body and the industry association for community housing providers is to identify and share good practice. A big piece of our work involves working with our members, encouraging them to innovate—but also noting that they do not need our encouragement to innovate—identifying what they are doing that might be of interest elsewhere and sharing that good practice, sharing that experience, sharing some of the challenges, some of the how not tos as well as some of the how tos and getting that out, whether it is in the form of conferences and seminars and peer learning or whether it is documenting as case studies and other good practice material. So rather than mandating our approach is to say: This is good practice, or this has worked for others and how can we share that information. That is sort of an industry-wide approach.

Mr WETMORE: Can I add something? On the vulnerability assessment tool, we got a phone call last week from One FACS saying could they look at this tool in more detail. Funnily enough, beyond these borders, Queensland Housing has asked us to come and do some workshops with it in the new year because it is looking

again at how it does community housing. So there is an awful lot of sharing that goes on. I suppose how well it is received is one of the measures.

Mr McANULTY: I would say we are a very collegiate sector, so there is a lot of sharing. I think one of the challenges is sharing with government. It is almost like the procedure is stop sharing with government rather than the government allowing ideas and sharing. The Premier's innovation initiative is maybe opposite to that; he is for the sharing of ideas which the sector is encouraged by because there are lots of ideas we want to share on how we exploit the value of the asset, exploit the revenue stream and deliver more things for people in need at less money to the public purse, whether it is us tenancy managing or taking a wider remit.

CHAIR: Ms Burgmann spoke a little about the perceived necessity for more of a whole tenancy focus incorporating social support as a necessary part of the more narrow tenancy management definition, if I might term it that. Do you think that that approach is common across all community providers or are there some community providers that have a narrower strict tenancy management around accommodation? If you take that broader perspective—and this is partly, obviously, what the Australian Housing Urban Research Institute [AHURI] research will be asking—how do you measure each discrete value component, mindful that some of it is a bit complementary and integrated, with the need to make sure that you are effectively managing, not hiding behind, this amorphous "We are doing all these good things" type attitude?

Ms BURGMANN: To respond to the first part of that question, I think it is the community housing approach to see tenancy management as something much broader than collecting the rent and logging maintenance calls. Providers will do it in different ways perhaps with different types of tenant groups, but that is the community housing approach; that is fairly standard. I agree with you that the challenge of being able to cost the elements individually is difficult, and I do not think I am talking out of school to say that the AHURI project, when they first started scoping it up, they rather hoped that they would be able to reach to existing sets of costings and just start to do some value adding to that and understand how they might cost and value outcomes, whereas in fact they discovered that the data just is not there and they have to roll back their expectations and create something much more foundational. Their research project is much more foundational. That tells us how difficult it is but also how important it is.

But it is not just about costing the individual aspects—what does it cost to have a really efficient tenancy management team? What does it cost to have a really efficient income assessment team—because it is a whole piece of the social housing business that does not really have a parallel in the private rental market? In community housing and in public housing, assessing somebody as eligible and continuing to assess their income so that you can continue to adjust their rent every six to 12 months is a huge piece of the business. What does it cost to do that efficiently? What does it cost to efficiently case manage or connect tenants to the other kinds of supports that they might need? What is the value of being able to do all those things in a leveraged way so that you are not having them as separate streams and they do not talk to each other?

What is the value of being able to make sure that the person who does, say, the routine maintenance inspection is also a person who can talk to the tenancy management team about what seems to be going on with the tenant or that the person who really understands where the tenant is at, the kind of support they are receiving, how they are travelling with their social supports and how the maintenance might be able to support them in that? So it is about being able to value not just the individual pieces but also to ensure that the whole is more than the sum of the parts. I think that is where we are hoping the AHURI research and some of the work that we know the department is looking at might get to.

Mr WETMORE: Our board is absolutely insistent that we operate at a best practice standard. We have eight people in our development team in construction and development. When you are trying to measure each of these bits you need to do that within the business. Within our key result areas we do that but at the same time we need to measure the whole company performance at the end, how well did it deliver against its development program and how efficiently and how well did it go through the planning cycle and manage the planning process. All those aspects also have to be brought into this measurement as opposed to just the tenancy management.

Ms KASZO: We are really interested in the concept of net social return on what we are doing. We are nowhere near assessing it yet but it is a piece of work that we are looking at and I think it is a live thing that each project and each organisation needs to be looking at and saying, "What difference are we making in our communities and how do we measure that?" It is a good question.

CHAIR: I will put a couple of perhaps challenging questions to you. The first one emanates from submissions outside your sector. It has been put to us that the community sector attracts a particular type of tenant and a particular type of housing stock which is easier to manage than the public housing sector partly because of the age of stock and partly because of the nature of some of the tenants supposedly being more vulnerable and more disabled. I want to put that proposition to you and seek your response.

Ms GALLOWAY: We have the same waiting list as everyone else so there are priorities on the waiting list and it is the next person on the priority list that we can offer housing to. I think it is a bit of a misnomer that there are different clientele and people. As far as the housing stock, our housing stock may be a bit newer but not a lot newer, because we have obviously the growth fund and all those kinds of things. But I think the larger older houses were kept for a reason—for redevelopments and things like that. We would love to have that opportunity to take those larger lots and be able to create additional housing. I think the condition of homes is very similar. We do not have diamonds and the others have dogs, for instance; we all have a cross-section of housing.

Mr McANULTY: I would add that with our Nation Building portfolio of 218 homes we took almost 40 per cent of homeless people or at-risk of homelessness people into that portfolio. We took people very intentionally who were at the utmost top of the list into that portfolio. The difference is—almost like some of the things we have seen—we have been able to treat those people who were formerly homeless as customers. In the new properties we are making sure we are efficient with our tenancy management and linking with other services because the home is not the end point for them; it is the beginning point. I think there is a loss in that people can always feel one of 100,000-odd in public housing, whereas in linking with all these organisations we have a tenancy manager who will manage maybe 200 homes, who will know them, be able to link them with support and be able to link them with the maintenance team.

We are more intimate organisations that are able to take on big problems and deal with them quite easily. I would agree completely with what Ms Galloway was saying that some of the properties that people in public housing administration might regard as the problems that they are hanging onto are what we are saying we want to take on. We are not saying we want to only take new-build properties. We are saying give us the old, give us the worse ones but give us the flexibility to improve them. Give us the flexibility to go to three banks and get \$100 million out of them to renew them and do mixed tenure housing. If there is 5 per cent of the people blocking homes, let us give those 5 per cent of the people the opportunity to buy a half share in a home and free up the home for someone else.

Ms KASZO: One other point I would make from Southern Cross is that because we are community based many of the people that come to us come with support agencies with an expectation that we will be able to assist, that we are not government and therefore we have a little bit more flexibility. It is not always the case because of the amount of housing that we have, but in terms of housing stock we have got a wide range. I think we told the Committee before we have quite a range from new to very old. Our purpose really is to help those with the highest need in our community, so we are working with the most difficult. I think that is a furry argument. I do not take that point on at all.

Mr WETMORE: The public Productivity Commission finding was that community housing takes a higher proportion of people with special needs but it is only marginal because I think we are pulling from the same waiting list. I do not think there is much validity to that.

Mr JOHN WILLIAMS: The Federation was set up by the Government to manage not-for-profit organisations in the transfer of housing assets. Is it mandatory for all not-for-profits managing Department of Housing properties to be part of your organisation?

Ms BURGMANN: No, quite the reverse. We were set up by the providers 20 years ago because they wanted an industry body, a representative body and a policy advocacy body. We do have full membership but that is because providers want to be members, not because they have to be.

CHAIR: A second challenging question: You have talked about the importance of innovation and being a little bit entrepreneurial—that is my terminology—and having a wider perspective. Why could the private sector not do that effectively as well? It is generally better at being innovative than the government sector but if a lot of the other stuff it does just makes good sense what do you think about the concept of opening it up more to the for-profit private sector? Do you think it is important that you stay within a not-for-profit or is there some other reason why the community sector would be better than the private sector?

Mr McANULTY: That is a great question. I am a fan of the question. I am even a fan of the competition. I would be a big fan of it being opened up. I think you would find if it was a level playing field with regulation and registration being impacted on a for-profit you would realise that each of the community housing providers in this State that are growing are entrepreneurial and making money. We generate profits so we are actually profit-making organisations, but rather than being not-for-profit we are actually not-for-dividend. We recycle that profit back into outcomes in New South Wales. That means that stuff coming to us generates lots of wider outcomes. That is the biggest benefit from community housing sector assets growing.

Big for-profit tenancy managers do this but they would not be recycling their profit into the wider outcomes that are generated by the group here. On a like-for-like basis we would give them a run for their money. For instance at Link Housing, like other providers, we do standard tenancy management on National Rental Affordability Scheme [NRAS] properties. An investor might expect to pay 7 or 8 per cent of the rent but if it is in a cluster of five, 10 or 15 homes we will reduce that down to 5 per cent. We are very efficient, otherwise mum and dad investors would not put their property with us. We can compete pretty strongly with the private sector but we give more bang for our buck than the government. That is why we are a bit better.

Ms BURGMANN: That is kind of the flavour of the Federation's overall submission. We believe that we already have the expertise that government would need to get social housing tenancies really well managed. If they are not going to be managed by government then look no further than community housing because we are entrepreneurial, we are commercial. As Mr McAnulty said, we do recycle all of the profits back into our outcomes.

But we also know how to work with government. We know what it means to work within government policy settings, which is outside the scope of the private sector tenancy managers that anyone is familiar with here or elsewhere. We know what it means to work with government to achieve government's outcomes. If government ends up with a different idea of what needs to happen to social housing tenants—for example, the idea of being able to encourage more tenants to move on more quickly—that is something that the community sector is already able to work with government on. It is all within our core areas of expertise. I think we already offer and we would not have to learn any of the key skills that government would be looking for.

CHAIR: My third challenging question is how do we manage some of the less tangible outcomes or less easily measurable outcomes such as community building and place making in a positive sense or, in a negative sense, some of the potential traps of attractiveness of welfare over work, an inability to leave social housing or the sense of entitlement that might be perpetuated? How do we better measure some of those less tangible pluses and minuses? It is not a question that is easy to answer but do you have any suggestions?

Mr WETMORE: We have been out at Bonnyrigg since 2007. Bonnyrigg is about an 82-hectare estate built in the 1960s. It is very old and the crime levels there were incredibly high. The school was closing down and everything. Now the school is a selective school. It is undergoing regeneration. They have built to date 368 new homes that are mixed private and social housing and the crime levels are down. The school is now a selective school and there is demand for new stock in that part of the world.

I think it is by area that you measure this. I do not think it is across the board. You need to put in particular measurement programs or assessments or research into each area. I think that is the only way that you will see the totality of the influence over the community. Then you can say here is the social impact but it is measured in a particular community so that you can watch the trend over time.

Ms BURGMANN: I agree with that. The research that we have been working on around social impact suggests that you need to look at whole-of-community outcomes, which means it is quite hard to say which bit was achieved by the tenancy manager and which bit perhaps was achieved elsewhere. But if it is the health of a community that you are trying to achieve then you need to look at crime rates, educational achievement and levels of employment. You do not just measure something that is to do with housing. Then you try to understand what pieces of that is the landlord best able to support and help you achieve. So you almost have to come at it in the reverse.

The other thing is that we find the tenant satisfaction surveys that we run very revealing. They do give you an overall sense of tenants not only being happy with the service that they receive from their landlords but also their sense of stability, their sense of wellbeing. You can start to measure some of those things qualitatively as well, which I think gives you another piece of the picture.

CHAIR: What about the negative costs like the welfare dependency mentality? That does not always happen but there is a risk of perpetuating some negative community outcomes. How do you measure that and attribute that cost?

Ms BURGMANN: How you counter it is around the policy settings but how you would measure it is the same. It is asking: Are education levels going up or staying stable or going down? Are employment levels going up or staying stable or going down? If we say that we understand our tenant cohort well enough to be able to say that we think that at least 10 or 50—pick a number—per cent of people ought to be able to find at least some form of income and we are going to have the policy settings that do not dissuade them from that, then let us take a benchmark. Then let us see in two years, five years and 10 years time have things progressed as they ought to. It is slippery stuff, especially when you say it is not just whole of government, it is actually whole of community. But I think you pick some measures and you take the long view and you start to measure them.

CHAIR: A tough question for government now is: Is government trying to shirk some of its social support responsibilities to your sector by giving you some of the housing and saying that with the housing you also have to take on these community service obligations or costs that it would otherwise have to deliver through other agencies? Is that happening or is it just that you see that you are doing it for a positive?

Mr McANULTY: My response to that would be to go back to your earlier question in terms of measuring the baseline. If you measure the baseline of big estates or big areas and the cost to government and then consciously push it to our sector and then we remeasure the cost to government that would be awesome. Then we would have a good baseline and it is in everyone's interest to reduce the cost and improve the quality of the outcome.

CHAIR: But is government avoiding its responsibility or the costs by giving you these housing assets, recognising that there is some positive rationale for doing that in how the system is designed, but part of the quid pro quo is that it also wants you to take some of the costs away from the provision of social services? Is the government not being transparent in terms of its rationale? I do not know. Is the government cost shifting?

Ms BURGMANN: I think increasingly governments choose to achieve the outcomes they want or that the community expects of them not always directly but through the community sector. We see that across disability, for instance. Already in New South Wales it is a long time since the government delivered any services to homeless people directly; it has been something that the community sector has taken on. Engaging the community sector is not necessarily government shifting a problem and refusing to be responsible. It is a different way of government making sure that the outcome is achieved.

So long as the funding is right and so long as the transparency is there—and we can usefully find ways of making sure that that is the case—I think it is a very legitimate thing. If it passes the test of public opinion and if people say that they are happy to receive that service from a community housing provider or from a community-based homelessness service rather than directly from government then that is part of the test.

CHAIR: Good answer. This has been very valuable. As I said at the beginning, it is not easy to look at a defined box but we are trying to keep the terms of reference as tight as possible. It is an enormous challenge for all of you, just as it is for government to try to get the space right. Thank you for assisting us to have some positive impact in this area. If there are further questions on notice I take it that all of you are happy to answer them. If so the answers will form part of your testimony today and be made public. Thank you once again.

(The witnesses withdrew)

(Short adjournment)

MARY PERKINS, Executive Officer, Shelter NSW, affirmed and examined, and

ADAM FARRAR, Senior Policy Officer, Shelter NSW, sworn and examined:

CHAIR: Thank you for attending. You have probably seen some of the proceedings from the previous session and have a sense of some of the issues we are exploring. The Public Accounts Committee, as part of its inquiry into tenancy management in social housing, will pursue a number of other questions. I remind everyone to turn off their mobile phones. Do either of you have any questions of a procedural nature in relation to information that was sent to you before this hearing?

Ms PERKINS: No.

Mr FARRAR: No.

CHAIR: Would either of you like to make an opening statement before the commencement of questions from members of the Committee?

Ms PERKINS: In summary, our submission is fairly straightforward and simple in that we note the lack of real hard data. We note that the Australian Housing and Urban Research Institute [AHURI] is conducting research on this, and I think the considerations of this Committee should perhaps wait until that harder data is available. We looked at what data was available and came to the conclusion that what is available indicates that both community housing and public housing authorities are competitive with the private sector in the management of tenancy. We looked at what tenancy management is in a social housing context, and noted in particular that it was the usual tenancy management of rent collection and maintenance and repairs, et cetera. But it also had other components that were very significant, firstly, the brokering for tenants of access to different support services that they may need to maintain a tenancy, and secondly the brokering and building of community connectedness so that there was greater support within the broader community and better flow-on benefits for tenants via access to education, training, jobs and all those sorts of things.

We noted that social housing is much more complex than private housing because of the nature of its beast, and that it had become much more complex for a range of reasons over the past 30 years. We have also noted that generally there is a high level of satisfaction among tenant communities for both community housing and public housing in terms of management. We have done two pieces of research, which I have brought you copies of, and they are cited in our submission. We were asking tenants their views about a range of things, about support needs, management issues and what have you. While people have ideas for improvements, overall they were satisfied with the level of management that they had and were more engaged in how things can become better than necessarily from whingeing. When it came to the work that we did on "We look after our neighbours here: Support services for NSW social housing tenants", it was clear that a lot of the weight of housing highly needy people with a range of complex needs in public housing estates has fallen onto the residents of those estates.

Instead of what the public opinion would be, of whingeing and complaining, they were actually quite compassionate and engaging with us in the ways in which they could be supported to provide better levels of support. They drew attention to the fact that clearly it is not a passive relationship on those estates between people with difficult problems and others, that it is very much an interactive process and the tenants are not just sitting there waiting for State services. There are a lot of informal support networks and processes, and those things really matter because they are part of what builds the social capital of a community. Often government does not pay sufficient attention to that.

CHAIR: Thank you for not only your submission but also your comments which confirm what appears to be a generally recognised opinion about a lack of available data to make effective cost comparisons between housing providers at the moment. You referred to the AHURI research, which is timely. There is a need to better collect data. Can you comment on that proposed research, the AHURI research, and what data you think needs to be collected? In particular, do you think there are things that should be looked at that will not be looked at sufficiently as currently identified?

Mr FARRAR: To some extent I should start by declaring some interest in that we are part of the advisory committee to that research, so we had some hand in informing the framework that was developed by AHURI. I think it is fair to say that that will be a significant step forward for two reasons. One is that it really

tries to disaggregate what the function is. That probably would be helpful in these kinds of considerations because we are looking at arrangements between different agencies, the Land and Housing Corporation and Housing NSW, where some functions are being contracted out, subcontracted, and others are not. It would help to get a much better picture of exactly who is bearing what cost and with what cost effectiveness. I think that will be very useful because of that disaggregation. It is fair to say that it will take some time because having done that, then the measures have to be developed and then data has to be collected. Until that happens, we are simply left with the national social housing survey data, which has some useful elements and we have tried to draw on those. But it is nowhere near as rich as you would like.

Certainly, the data on the costs side from the report on government services are completely unhelpful. We have tried to make what we can from the publicly available data from the Land and Housing Corporation and, with some modest assumptions, suggest that at least the tenancy management costs that they attribute to that function being contracted out by Housing NSW are well and truly competitive with commercial tenancy management costs. That is useful. The limitation, of course, is that we cannot tell, because of the lack of transparency of most data, just what else is being paid for in other ways across the system. If I could just make one observation—sorry, this is not quite your question—the lack of transparency in these arrangements is a serious problem. It will be a difficulty for you but certainly from the point of view of the public not being able to get a clear understanding of the flows of costs within those businesses is a worry.

CHAIR: I state for the record that our Committee has no questions that it has to necessarily answer in a definitive sense. It may well be that some of our recommendations are in accordance with what you are saying in terms of the need for transparency and for data to be available before more meaningful decisions can be made. We will need to deliberate on that in due course. However, while it is generally recognised that there is a paucity of effective measurement of performance management tools in place—there are some—there have been comments from different stakeholders on comparative performance of public and community sectors, at least in so far as they make claims about their own or the other sector's performance. You have queried that outcomes claimed for and by community housing providers may not actually be achieved. Is that view based on a lack of data or your own or some other assessment of the performance of community providers?

Mr FARRAR: I was citing the AHURI positioning paper's view and that is absolutely about the lack of data. I think generally when they do the analysis of the available data they conclude that that is supportive of that broad position. But there is not sufficient data to be definitive.

CHAIR: So it is a lack of data. You are making a question mark, rather than a statement of comparison?

Mr FARRAR: Absolutely, yes.

CHAIR: Looking at costs associated with supporting social housing tenants, should they be attributed to the sector or should they be attributed to the portfolios which provide those services outside the social housing sector, for example, health, education or welfare?

Ms PERKINS: Both. You cannot divide it neatly because tenants need something of the brokerage service that a housing provider can do. The housing provider cannot provide the mental health service but it can broker it. What we got clearly when we conducted our research with tenants was that they were having difficulty negotiating our general broad welfare system to get appropriate referrals to appropriate services. So they were looking to, in this case, the work of Housing NSW to tell them where to go to broker the support arrangements.

Mr FARRAR: I think it is fairly important to, if you like, disaggregate the layers of what we mean by support. There are some which are inherent to the tenancy management role itself, even in the most ordinary sense of tenancy management, because of the portfolio and the client population that has been given that tenancy management. There are specific needs which you do not find are met by, for example, your run-of-the-mill private real estate agent. There is at least a supportive style of tenancy management, partly because you are looking for different outcomes from ordinary things like allocations.

But you are looking for an outcome of sustainability of the tenancy which goes to paying much closer attention to the mix of tenants in particular communities, buildings and so on. So that is an ordinary function with a social housing support function. The same goes for collecting rents. It is a degree of flexibility. You do not want to have to wait until a tribunal has required flexibility; you ought to be trying to deliver that up-front.

So in ordinary functions there is a supportive role in terms of management. There is also the very direct ones which I think Ms Perkins particularly referred to, a role of brokering access to other support services.

The cost of mental health services should be accounted for as mental health services and they come under Health. The process of brokering them, the process of being aware of and responding to changing tenants' needs is part of the tenancy management function, and that is part of the cost of delivering the housing service, not the mental health service. The last one is the one about building stronger communities. That is a bit more challenging because it is certainly inherent in the job of a good social housing provider worldwide that it has a role in being a critical lead agency in building stronger community. It does not mean it does it all and certainly some of the functions in building those strong communities will be functions of local government, costs by them, and functions of other agencies. But that broad function of being lead agency to build stronger communities, to work with tenants and tenant communities to build social and economic participation, is a housing function that should probably be costed to housing, recognising that a whole range of aspects of that will come under other portfolio responsibilities.

CHAIR: Thank you. I think that is broadly consistent with what the community sector told us this morning. They claim that they provide for tenants' social and support needs through community partnerships and working with government and other community providers and the like. Mindful of the lack of concrete reliable data—which we have recognised or it seems to be generally recognised—what is your experience of the delivery of services to tenants of both community providers and Housing NSW? In your experience, recognising the data is not there in a reliable sense, is one sector more successful than the other? If so, why?

Ms PERKINS: I think the jury is out on that one. The community housing providers say very clearly that they do a better job at it. I think you will find, and certainly so in my experience, that parts of Housing NSW do a good job at it. I think you will probably talk to the Tenants Union this afternoon and they might say that there are some community housing providers that do not do such a good job of it. I actually think the jury is out on it, but I think you can say very clearly that both sectors do a necessary job and a job that needs to be paid for and that is not being replicated in the private sector.

Mr FARRAR: Can I just add to that and make a distinction? Before I do, again another declaration. In my previous position I was the chief executive officer of the New South Wales Federation of Housing Associations, so I come with a decade of that interest. I just think you need to be aware of that in considering what I say.

CHAIR: Thank you.

Mr FARRAR: The distinction I would draw is that I think you have seen some really impressive, if you like, regeneration and community-building work from Housing NSW, particularly where there is a large project such as an estate renewal or something of that sort. There is a capacity to bring in expertise which is, as far as I am aware, world standard. Those are very, very strong. I think you find community housing providers are less high-powered, if you like, but who have more day-to-day ongoing activities in that sort of space. So there is a bit of a distinction there. They are different. They are both fairly effective. We can refer to the data but I would absolutely take the point that, first of all, the data, as we have been saying, is fairly modest, and the differences are modest. But one of the things that the National Social Housing Survey has tried to do is to ask questions like, "What do you think your outcomes from being housed are?"

Some of those outcomes are absolutely attributable to having an affordable and, until recently, a secure tenancy. We will see how much that changes as tenancies become less and less secure in social housing. But others do seem likely to be attributable to the tenancy management role and there is a small but consistent difference that I think reflects that day-to-day practice as opposed to the large-scale but focused ones. Similarly, in the area of access to support services, tenants were asked to identify what support services they use but also did they get access to them with the support of their housing provider. It is a relatively small proportion, as you would expect. Most people can look after themselves and find their own health care and so on, but there is a small but important proportion that gets access brokered by their housing provider. It is probably about twice that proportion that is brokered in the case of community housing than is the case with public housing. What the outcomes of that are we do not know and it would be great to have data on that.

Ms PERKINS: And when it comes to brokering support services, I think the Committee should bear in mind that some of it is coloured by support services that are in fact there.

Mr JOHN WILLIAMS: Yes.

Mr FARRAR: Yes.

Ms PERKINS: You might have a success over here because support services are available to be brokered, but somewhere else there may be nothing doing because there is nothing else there. I think you should bear in mind that access to services outside of housing is also crucial.

Mr JOHN WILLIAMS: I can see that as an issue within the recognition of placing tenants, whether you place them in a situation where they are connected to those services. I think that is one of the big risks of just having a list of priority whereby a tenant can be placed in a property but be remote from the services they need. Obviously, you see that as a major issue?

Ms PERKINS: That can be a very significant issue and the other significant issue is displacement of tenants from locations where they have a lot of community connectedness, pardon the jargon, but connection to communities, friends, networks—

Mr JOHN WILLIAMS: Social support.

Ms PERKINS: Social support, families and what have you. Those small, I guess, informal mechanisms of providing support are replaced and have to be replaced by State-funded services. That often comes at quite a significant cost.

Mr FARRAR: I think probably one really important example is sustaining older people to live independently.

Mr JOHN WILLIAMS: Yes.

Mr FARRAR: It is a kind of informal, hard-to-quantify support that comes from having a neighbour or a number of neighbours who look after you, who will do your shopping for you and those sorts of things, which cannot be replaced by formal services with any degree of effectiveness.

Mr JOHN WILLIAMS: That is right.

Mr FARRAR: It is the case that we see some changes where—for example, to name names, the sale of whole areas like Millers Point—we have communities of older people who have done that with all sorts of trade-offs. I am not saying that life was somehow made magic by having made good neighbours, but the tendency is to say, "Well, that's all right. You probably should be in aged care anyway." That sense that you can replace independent living supported by your neighbours and your community with an aged care facility, which is ultimately the kiss of death, probably is not something we should have on our public policy.

Dr GEOFF LEE: I understand that you did some research into what tenants want in terms of customer service, communication, neighbourhood problems and service delivery. I do not know if you can answer this question, but is it because the clients themselves are unaware that the services exist, or the services do not actually exist, or there is a lack of services? It always worries me when we research what people want that people want a lot of things. Therefore, they may have unrealistic expectations of what the system can deliver.

Ms PERKINS: They might but generally they do not, and generally in each area of government our public services now are tightly rationed. I think what people are finding is that unless somebody brokers a service for them, their independent claims or requests for a service do not actually get through the rationing systems. Sometimes the services are not there. Sometimes they are just too full—for example, mental health issues and people living in estates.

We were interested because of their increased targeting of very, very needy people for the allocations to social housing and what impact that had, especially in the estates. Tenant groups were complaining or noting that they were having to often act as emergency-type first calls when somebody has a serious breakdown and is disruptive to the rest of the estate and a danger to themselves even. They often did not have the skills necessary to deal with that, but found that when calling services to come and help they just were not there, they were not available or they were full up.

We did the report that we have done to try to unpack what tenants thought would help to make a difference. We did it by a set of focus groups in different types of estates. I guess there is a mix of services that are not available—they are too full—but because everything is being rationed quite tightly, an individual being responsible enough to say, "I need blah, blah, blah", is not necessarily going to cut any ice. They actually need to be referred by another professional before their claim for a service is legitimised. There is a whole pile of reasons as to why that is necessary.

Mr FARRAR: I guess it is worth making the point that the tenants interviewed did not come with a supplicant mentality. Maybe the title of the report gives a clue: "We look after our neighbours here". That is the starting point. After that, the gaps in service provision are about the ones that fundamentally impact upon people's lives and abilities.

Dr GEOFF LEE: I have not read the report, which is why I was interested. It always worries me when we ask questions about what people want that most are not realistic in terms of what is available. We have such limited resources and infinite demand. I will ask another question. The Land and Housing Corporation and Housing NSW say that their disaggregation weakens the management of it. Just off the top of your heads, how do you see it weakening the provision of housing services when we disaggregate that?

Mr FARRAR: It is to do with basically separating tenancy and property management. That is the fundamental difference. At the first level it is that you disconnect services or activities, which really need to be brought together to get proper outcomes for tenants. If you look at any tenants' survey, the thing which affects satisfaction, and often physical wellbeing, is the condition of the property. The people who engage with tenants are their tenancy managers, and yet we have now got different agencies taking responsibility for the different roles. So you separate a holistic approach to those tenancies, which would give you far better results. It is typical in housing businesses that you separate them to some extent; and I am not suggesting that everyone multitasks, that would be unrealistic. But the degree of separation that we now have I think is not as productive as it should be.

The other is one that goes back quite a number of years. If you go back to the Mant report, which is from the early 1990s, I think, that inquiry was really to try to break the power of an agency where the property managers and the developers—I am talking now about development within social housing—ran the whole show rather than the outcomes for tenants. This is a purely personal opinion but I think we run a risk of creating the interest of those who are managing the portfolio and the financial sustainability of that portfolio dominating the interests and wellbeing of tenants and the communities that they live in.

CHAIR: I will ask a final general question. You said that maybe we should wait until the Australian Housing and Urban Research Institute [AHURI] report is out before we make recommendations. We do not have that luxury. Our process will be complete before that is available. In an ideal world, it would be great to have it now, but what would you recommend in advance of the completion of that research if you were in our shoes in terms of performance measurement of effectiveness in delivering social housing in New South Wales and tenancy management in particular?

Mr FARRAR: I would be looking for what data is available to give you some proxies but disaggregate a little bit more than we currently do to be much clearer than we currently seem to be about who is performing which functions and at what cost, and to be at least looking for giving significant weight to the tenant satisfaction data that we have. It would be great if we could look at some other social outcome measures, but I think that probably would have to wait. If I was making the recommendation though, I would look to the kind of data and reporting for the future and certainly hope that we make that stronger.

CHAIR: Thank you very much both of you for appearing before the Committee today. It is an important area of policy and it is most important that we get it right for the people it affects. I appreciate your input into that outcome which, hopefully, will make it better. I also flag that the Committee may wish to send you some additional questions in writing, the replies to which would also form part of your evidence and be made public. Are you happy to provide a response to any further written questions, should they be needed?

Ms PERKINS: Yes.

(The witnesses withdrew)

CHRIS MARTIN, Senior Policy Officer, Tenants' Union of NSW,

JACQUI SWINBURNE, Acting Chief Executive Officer, Redfern Legal Centre,

TOM McDONALD, Tenant Advocate, Redfern Legal Centre, and

LINDSAY ASH, Tenant Advocate, Redfern Legal Centre, affirmed and examined:

CHAIR: Welcome to the Committee hearing. Does anyone have any questions concerning the procedural information the Committee sent to you in relation to witnesses and the hearing process?

Ms SWINBURNE: No.

Dr MARTIN: No.

CHAIR: In what capacity will you be giving your evidence today?

Dr MARTIN: I will be giving evidence in the capacity of Senior Policy Officer, Tenants' Union.

Ms SWINBURNE: As Acting Chief Executive Officer, Redfern Legal Centre.

Ms ASH: As tenants' advocate.

Mr McDONALD: As tenants' advocate.

CHAIR: Would anyone like to make an opening statement?

Dr MARTIN: I will very briefly. As a background to our submission, the Tenants' Union is the peak non-government organisation representing all tenants, including social housing tenants, in New South Wales. We are a community legal centre. We are also the primary resource agency for the statewide network of local tenants' advice and advocacy services, one of which operates from Redfern Legal Centre. Those local services speak with more than 3,500 public housing tenants every year. They represent more than 1,100 tenants in advocacy with the Department of Housing every year and appear in up to 600 sets of tribunal proceedings for public housing tenants every year. So much of our information about social housing tenancy management comes from those services and our own legal practice. I might add my doctoral research was in the history of public housing in New South Wales and, in particular, public housing tenancy management. That is a bit of background to the submission today.

I make the point briefly that before we can make any comparison between the costs of tenancy management in public housing, community housing or private rental the basic point that needs to be grasped, we submit, is that the social housing system works very differently from private rental. Structurally there is a great separation between the sectors, the outcomes are very different and tenancy management is very different. The history of tenancy management in each sector is different too. There is a particular history to the development of tenancy management in social housing that goes back even further than social housing itself. Also, there is history or tradition of reform in social housing tenancy management.

Over the past few decades social housing tenancy management has been reformed. It is a work in progress and there is still more to be done in that direction. We would recommend, above all, to further improve social housing tenancy management. A useful reform would be an improved system for the review of social housing tenancy decisions, particularly by having a review of social housing administrative decisions by NCAT—the civil and administrative tribunal.

Ms SWINBURNE: I have a short opening statement on behalf of our organisation. Thank you for the invitation to appear today. As you have heard, I am Jacqui Swinburne, Acting Chief Executive Officer at Redfern Legal Centre but my primary job is Tenancy Co-ordinator at Redfern Legal Centre, which I have done for several years. Unfortunately, our Acting Tenancy Co-ordinator who wrote the submission could not be here today but we have two tenants' advocates who can provide more on-the-ground practices and examples of what is happening on a day-to-day level in tenancy.

The background of our organisation and the Inner Sydney Tenants' Advice and Advocacy Service, which we auspice, is covered in our submission, which I will not repeat. The key message that we want to press is that moving tenancy management to the private sector would be a false economy, in our view. There are many reasons why it should stay as a specialised area of social support for vulnerable people with complex needs and why access to public resources such as public housing or even rental subsidies in private housing should be dealt with with the utmost fairness in decision-making processes.

Although there are many ways in which the administration of public housing could be improved and made more cost effective—and we are very happy to elaborate on some of those details—those issues would still exist if housing was outsourced to the private sector. We believe there are myriad reasons why that would not be appropriate. To summarise our main concerns very briefly, cost-effectiveness in public housing could be improved in the areas of repairs and maintenance, in better adherence to the model litigant policy, namely, in decreasing unnecessary overuse of the tribunal, and by working to improve the support provided in an early intervention manner rather than using evictions as a way to manage people with complex and mental health needs in order to work towards the goal of homelessness prevention.

As Dr Martin has indicated, tenancy management in the private and public sectors are very different and they cannot be easily compared in our view. There are many requirements in administering access to public goods and services that make public tenancy management complex, requirements that make access to public goods fair and equitable, but those requirements would still exist even if it were in the private sector. Some of those include: administration of complex policies and calculations in regards to rental subsidies, especially when people have change of incomes when they are doing casual jobs; ensuring fair and equitable decision-making with regards to access to the public provision of housing such as the need for clear, transparent and consistent policies, so even across different community housing providers; and access to fair reviews of decisions internally and by the Ombudsman and judicially, which you may not always have in community housing.

There are also complexities in administering public housing due to the fact that as the amount of public housing has diminished it has become over time housing for people with the very highest of needs. So by the very nature of it, it requires providing support to vulnerable people with complex needs to maintain their tenancies, such as highly trained support workers and inter-governmental partnerships with mental health and other providers. It is very difficult to see how this type of tenancy management could be provided by the private sector, which is probably exactly what Shelter NSW has just been saying.

Finally, many of the social issues in tenancy management go towards the overall aim of homelessness prevention, which is cost-effective for government overall. There are many studies into this and we can provide some references to the Committee but, in summary, the experience of homelessness is one which goes well beyond the housing dimension. It is driven by and, in turn, compounds mental health and other health conditions, substance abuse problems, low income, and the experience of domestic violence and family breakdown. There is also a complex set of interactions between homelessness and the justice system, so those who are homeless are more likely than others to be picked up by police on the streets, face court appearances and go to jail.

As a consequence of these complex interactions, homelessness can lead to a much higher use of mainstream public support services, such as health and justice services, in the general population. Given the cost of homelessness, the goal of homelessness prevention would result in a whole-of-government budgetary saving as a result of improved client outcomes. All we would say is that even though we are being asked to look at cost-effectiveness and not so much social outcomes, you cannot really separate the two of those things.

CHAIR: I want to clarify a couple of matters. I do not think the Committee has said that cost-effectiveness does not include social outcomes.

Ms SWINBURNE: It was just information I was given last week. We were not trying to separate the two.

CHAIR: There has been, dare I say, a bit of political scaremongering in terms of private sector involvement which, for some reason, certain parties decided to put out there. Again, that is not coming from the Committee as a pre-determined outcome from this inquiry process nor is it the focus of this inquiry. It is one of the issues that it will look at. To the extent that some of your comments seem to be focussed, that may have been driven by extraneous comments or circumstances.

Mr MICHAEL DALEY: For their own inherent concerns, perhaps.

Ms SWINBURNE: No, we were not given that. The Tenancy Co-ordinator is away on leave so I do not know where it has come from.

CHAIR: When you talk about private sector, do you include in that the community sector? Are you distinguishing between the public sector, not-for-profit, and for-profit, or are you putting the community sector, which is not-for-profit, in the private sector category? I am trying to understand that because some of your comments suggested one and others suggested the other?

Dr MARTIN: I have referred to social housing as public housing community housing.

CHAIR: Yes. I understand that. But when each of you talks about the private sector, what do you mean?

Dr MARTIN: I mean exclusive of community housing.

CHAIR: That was probably clearer in Dr Martin's comments but maybe less clear in the comments of Ms Swinburne.

Ms SWINBURNE: Definitely, we would see them as a separation. But within community housing you have got different levels, some of which are merely providing affordable housing with very different structures and rights for tenants than other community housing, and then different again from public housing. There are different levels in what we have to deal with.

CHAIR: I am trying to ask clarifying questions at the moment. Do you have a clarifying question as opposed to a substantive one, Mr Williams?

Mr JOHN WILLIAMS: No, I am concerned about the private sector. It is probably ludicrous to think that the private sector would engage in managing public housing because of the complexity of the business. I do not think it would be a natural thing for private enterprise to engage in. I do not think there is any fear of that ever happening.

CHAIR: That may be a personal comment. As the Chair of the Committee I say that it is certainly not the driver behind this inquiry. If we are going to conduct a wide-ranging inquiry with proper scope we should ask that question, but to the extent that it has been pitched by some that that is what this inquiry is about is erroneous.

Dr GEOFF LEE: Is your opposition to private for-profit so that the not-for-profits are okay?

Mr JOHN WILLIAMS: Not-for-profits are okay.

CHAIR: I think they are saying that they are okay.

Dr MARTIN: Where I refer to "social housing" in my submission I am referring to public and community. Where I refer to "public housing" that is the stuff that Housing NSW does, and where I refer to "private" I am talking about private agents and landlords operating themselves.

CHAIR: I was not intending to deal with this topic but I will now so that we address it. I would have thought that there are elements of tenancy management that can be benchmarked against private benchmarks or key performance indicators [KPIs] and elements that clearly cannot because it is an apple and orange situation. I put to you and seek a response to the proposition that there are elements within tenancy management so that if you can disaggregate the holistic nature of what is delivered by social housing providers you could benchmark and provide a comparison to private sector experience in a more defined, segmented way?

Dr MARTIN: Yes, even such basic things as rent collection—basic to rent management—and the termination of tenancies are complicated by the particular objectives of particular policy objectives of the social housing sector. So I do wonder about whether you can get such clear common benchmarks or common areas of tenancy management practice, for example, rent setting. A private real estate agent knows the rent that is due every week; it is on the face of the agreement. A tenant may be in receipt of Commonwealth rent assistance; it

does not affect the rent that is paid. If the rent is not paid the agent knows exactly how much rent the tenant should have paid and can hassle the tenant. The tenant might say, "Oh, Centrelink stuffed up. I haven't got my rent assistance" and the agent can say, "That is not my problem. This is the rent that is due."

It is different in social housing. In social housing the rent that is due is the rebated rent. The social housing system has its own system of rent assistance that works quite differently to Commonwealth rent assistance—income-related rents and rent rebates that reduce the rent payable. They legally affect the rents payable. It is not an option for a social housing landlord to say to a tenant who has not paid rent on a due day, "This is the amount that is due on the face of your agreement and I want that amount now". There is also a question of how much the rent rebate is and that affects how much legally the amount of the rent is. Even such a basic thing in terms of tenancy management as rent collection is different and complicated by the different policy objective of the social housing system.

CHAIR: Concerns were articulated about the lack of clarity and accessibility of Housing NSW's policies, is that right?

Dr MARTIN: Yes.

CHAIR: Have they been put to Housing NSW for a response and if so what was that response? I think it might have been in your submission.

Dr MARTIN: It was in my submission. It has been put to Housing, yes.

CHAIR: What was the response?

Dr MARTIN: It has not gotten any better. Housing NSW used to do an admirable job of presenting their policies clearly, publicly online, in discrete policy documents. The trouble arose with the common register for all social housing providers, which involved some of Housing's policies particularly around the allocation of housing, going off to the Housing Pathways policies. There was a necessary change to the presentation of policy when the Housing Pathways came in but what was left behind was a mess and it remains a mess. We have brought up a number of times with Housing NSW that it is difficult even for practised workers in the area like the tenant advocates and ourselves to get around their website. It would be very difficult for a tenant to easily navigate policies that guide decisions affecting them.

We did make a point too about community housing providers who sometimes present quite a different problem in terms of the accessibility of their policies. They do not always have the complete policy online or they have just a PDF of a policy manual. That also presents some problems for navigating. We have yet to have a really satisfactory response from Housing about presentation of policies.

CHAIR: You also articulated concerns about Housing NSW staff recruitment, training and support. Again that was put to Housing NSW? Has there been a response that you can talk about? I ask also about the hands-on experience of the Redfern Legal Centre of the staff recruitment, training and support offered by community housing providers by way of comparison. Have you noticed a difference between your interactions with Housing NSW staff compared to community housing staff?

Dr MARTIN: I do not think I made a detailed submission about this.

CHAIR: It may have been in the Redfern one.

Dr MARTIN: It may have been in the Redfern one.

CHAIR: There was a comment.

Dr MARTIN: I can say that the senior officers of Housing NSW have said to us that the client service officer position is a difficult one. They did have a lot of long-term staff who were due for retirement and I know that at the other end of the scale officers have said to me that they are conscious that they have many temps or people who have come on temporarily; they were there to answer the phones one day and now they are managing tenancies. We have been involved in some of the training that Housing NSW has run, and we have attended sessions that they have conducted for officers. So we are aware that they have trainers in there trying to

do their best but they are training people for a job that is difficult because of the increasingly marginalised nature of public housing in particular and the really desperate situation that a lot of their clientele is in.

CHAIR: Ms Swinburne, or either of your colleagues, have you noticed a difference in liaising with staff between the community housing sector and Housing NSW?

Ms SWINBURNE: I will firstly say that it is very difficult to generalise obviously and also when you are dealing with lots of smaller community housing providers you might get great people in either public housing or community housing and not in other ones. Sometimes it is more about the actual policies that are in place that are not always as comprehensive in community housing that can be the issue, and the review processes. The other issue is that in public housing they are often moving support workers around and that makes it very difficult both for the tenants and for the support workers to build up working relationships. Do you want to add to that?

Ms ASH: One of the big differences is, of course, size. A complaint we get a lot of the time is that people do not know the correct person to talk to when they are a Housing NSW tenant. If they have had an issue that has been going on for several years, the person who they have been dealing with might have changed several times during that time. A community housing organisation is usually smaller; it is usually easier for the person to find the correct contact person and not to have the feeling that they have to start again or repeat their issues to new people all the time. That is just the nature of the different sizes of Housing NSW as an organisation and community housing providers in general.

Mr McDONALD: I think our experience with dealing with community housing workers has been very mixed, depending on the community housing provider itself and also the individual worker. We found that some community housing workers are very responsive and very helpful. We have sometimes had a very different experience with other community housing workers. Sometimes when it is a small organisation there may be nobody else to talk to or there may not be a clear way to get somebody whom you can have a fruitful discussion with if you are having difficulty with one particular worker.

CHAIR: I will just clarify that that was in the Redfern submission and for the record it was number one recommendation on page 16, "Improve recruitment, training and support for Housing NSW front-line staff".

Mr McDONALD: Just on that point, I can add that I think it is an extreme frustration of tenants that the client service officers [CSO] on the ground change very frequently. Somebody can be in that position for a month and then there is somebody else that they have to speak to, but it does also continue up the chain. I think senior client service officers move around very frequently and I think team leaders do as well. So even with us, trying to keep track of who to talk to can be quite difficult, and I have got a little database.

CHAIR: That may go back to the issue that Mr Daley asked a question on about optimal size of an organisation. I will pass now to Dr Lee.

Dr GEOFF LEE: I have two quick questions. I understand that many clients in social housing have complex needs and issues to sort out in their lives. That is probably why many are in social housing. Ms Swinburne's submission, which was very good, looked at the costs of proceedings in the NSW Civil and Administrative Tribunal [NCAT] rather than going to arbitration and the need for additional services. Can you share your thoughts on how we strike a balance between individual tenant rights and their impact on the wellbeing on their neighbours and the community? I think you had a case study of a hoarder who left stuff in common areas. I acknowledge that these people often have mental health, addiction and other issues but their impact on the neighbourhood can destroy a whole community of 10, 12 or 20 people who live in a building. How can we strike a balance? I agree with you that the NCAT proceedings can be drawn out and very unpleasant for everybody involved.

Ms SWINBURNE: Dr Martin will probably have something to say as well but what we really do not see is early intervention with the support services. I know it can be very difficult when someone might be in denial about issues they might have and very difficult to engage with. But it does seem that often housing providers will jump to the eviction process rather than working on partnerships with other government departments and support services to help that person with the issue they're suffering from, which is often the reason they are in housing in the first place. What happens over and over is that they do end up on the streets.

Dr GEOFF LEE: My biggest concern is with the rest of the community. I see it every day in my office. I see people who cause grief to the little ladies who live next door because they have antisocial issues and it takes so long to evict them or the neighbours will not press charges because they are worried. It needs to be solved somehow. I do not know.

Ms SWINBURNE: I think the answer is bigger than just the housing issue.

Dr GEOFF LEE: Yes.

Ms SWINBURNE: That is exactly the point I would have made: acknowledging that there are problems and that social housing neighbourhoods have more than their share of problems. We have to be careful about seeing everything in the framework of housing or policy. For example, there are hoarders who own their own homes, there are a few who rent privately as well, and other problems are criminal offending. These are things that happen in other tenures and we should be cautious about looking for solutions to those problems in terms of social housing and legal rights.

Dr GEOFF LEE: Obviously the same sorts of issues happen in private. The problem is government is supposed to be able to manage those blocks of flats that has a complex needs person who causes absolute grief to everybody else in their local community, which is a worry. It is really tough when you have grannies crying in your office about what the neighbours are doing.

Dr MARTIN: For historical reasons, we have blocks of flats, blocks of social housing that are concentrations of tenancy contracts with a single landlord. That seemed to present to tenants and to law and policymakers opportunities for solutions in terms of the tenancy relationship. Law and policymakers might look for solutions to problems in terms of the tenancy relationship between housing and tenant that impact on the tenant who is causing a problem, and so do neighbouring tenants. That is why they go into your offices and make complaints, because we have got, uniquely, in social housing concentrations of neighbours with a common landlord. We do not have that in private rental and, of course, it does not happen in owner-occupied tenures either. I sound a caution in terms of equitable treatment of people across the tenures that we are not using their tenancy relationship to try to solve problems that may properly lie outside of it, particularly because the tenancy relationship and the remedies that are involved are pretty blunt. It comes down to eviction. They are the tools that the landlord has. If you are going to keep looking to the landlord to solve social problems—

Dr GEOFF LEE: I agree with you, Dr Martin. It is a terrible thing to make someone homeless, but the vast majority of people suffer at the expense of individuals. They come into my office. It may be a sad thing for that one individual, and I fully understand the implications, but how can we balance the need of that individual against the needs of the other people who have to live there? That is what concerns me.

Dr MARTIN: In public housing and in community housing there have been deliberate programs in neighbourhoods at a high level for the development of communities, to make communities more resilient and to make individuals better able to solve their problems informally without necessarily invoking the landlord's powers under their tenancy arrangement, or the criminal law for that matter.

Dr GEOFF LEE: One submission mentioned the very small percentage of people who choose to pay market rate rent instead of disclosing their income and assets. Do any of you have any issue with it being mandatory for the government or the community housing provider having access to their records, such as Australian Tax Office records, bank statements, Roads and Maritime Services, to look at their assets and income and whether they are even in Australia? Maybe they have gone somewhere else. Do you have any issues about access of information? If you do not that is okay. I do not want you to say something you do not need to say.

Mr McDONALD: My understanding is that if you are a tenant and you want to receive a rent subsidy, if you think you might be entitled, then you are under that obligation.

Dr GEOFF LEE: After time, then you can elect to pay the market rate. There would not be many in Redfern.

Mr McDONALD: We do not see that many tenants who would be in that position, to be honest.

Ms SWINBURNE: You occasionally get someone who has been in the home for many years or someone who is on casual work who will be going in and out of employment, so they have that need to keep that home.

Dr GEOFF LEE: The notion of access to—

Ms SWINBURNE: Disclosing?

Dr GEOFF LEE: Yes.

Ms SWINBURNE: I do not have a problem with that. I think it is an access to a public good.

Dr GEOFF LEE: It might be a tiny percentage.

Ms SWINBURNE: I have never heard of that happening, to be honest.

Dr MARTIN: Tenants apply for rent rebates. Technically speaking, a tenant applies for a rent rebate, and it would be a very strange thing—in making their application, they provide evidence in support of the application—

Dr GEOFF LEE: Now we are talking about people who qualify for housing and then for some reason—

Dr MARTIN: It would be a very strange thing for people who are not making an application for them to be compelled to hand over evidence in support of an application they are not making.

Mr GREG PIPER: We have heard a lot of discussion about things that revolve around social issues such as mental health and other social problems that people might be experiencing and the impact it has on tenancy. On a day-to-day basis, in terms of your experience of trying to help people, what types of issues do you most deal with? What is the actual grunt work for a day or a week? Are there more practical things such as trying to get maintenance done, leaking roofs and things like this that cause a lot of anguish for people, or the housing stock not being adequate to task?

Mr McDONALD: A lot of our work is to do with evictions, so tenants who are facing eviction and might be made homeless. Another part of our work that has grown bigger over the years is to do with maintenance and the problems people have trying to get the public landlord to make repairs on their properties. Our experience has been that it has been extremely difficult—even with the services of an advocate and using the tribunal and getting tribunal orders in place it is still very difficult for tenants to get those repairs done on their properties. We have tenants who have been to the tribunal eight times and there might have been three separate lots of tribunal orders. They have gone there, they have given evidence and the tribunal member has made a determination that something needs to be fixed, but they have had to return time and again because it has not been fixed. That takes up a huge amount of resources on both sides, those in the tribunal and the tribunal itself. It is very frustrating and distressing for the tenant who usually has scant financial resources and emotional resources to fund these matters. At the end of the day, to get the order and to have an achievement and success and for it not to be complied with is obviously very disappointing.

Mr GREG PIPER: As a body that is advocating for tenants, do you have what you describe as an otherwise good working relationship with Housing NSW? What is the problem? Surely you have contacts, you go through a process but you are hitting a brick wall because, frankly, you do not have a good relationship with them, or are there other inherent problems with the capacity of the agency being able to deal with the issue?

Mr McDONALD: In terms of maintenance, Housing NSW workers do not have any control or authority over what maintenance is done. Tenants are talking to the wrong people. As advocates, we are also talking to the wrong people. When we are able to speak with somebody within the Land and Housing Corporation who has the authority to get things done, then we see things go very differently. We see tribunal hearings avoided altogether. Keep in mind that these are not usually contested hearings. There is nobody on the other side saying, "We do not have to do the repairs; we are not under that obligation." It is clear as day that they do. If we can speak to someone early on who can do something, then the whole process can be avoided. But tenants do not have those contacts, so they are not going to be able to do that in the same way, perhaps, as they could if they had an advocate who knows someone.

Mr GREG PIPER: I suggest you give them Dr Lee's phone number. Staff in his office are very good at that particular area.

Dr GEOFF LEE: We are very experienced, Mr Piper, with 5,600 properties in the Parramatta electorate.

Mr GREG PIPER: With respect, I appreciate the quantum of the problem you have because a huge part of the office capacity of most of the local members—not all of them—is taken up with similar issues.

Ms SWINBURNE: It was not as bad years ago when you had someone from the assets team, or whatever it was called at the time, based in the local housing office. It was a little more integrated, even if decisions were happening in different parts of the Department of Housing. Obviously, cost effectiveness is important as well, because these properties are falling apart, and that is going to cost more in the long run because they are not being maintained properly. One of the key issues is not having enough funding in the first place and being able to maintain all these properties.

Mr GREG PIPER: From your comment on that point that properties are falling apart, I assume you are talking about a client group that is in older housing stock. When I asked the question earlier of other community housing providers, I got the impression a lot of their housing stock is quite new and in relatively good condition compared to a lot of the older stock that might still be in public housing.

Ms SWINBURNE: Some of it is very old, obviously, but I have worked in different parts of Sydney, and as soon as there is a roof leak a place can start to fall apart quite quickly, no matter how old it is.

Mr JOHN WILLIAMS: Dr Martin, you identified an issue with the development of clear policy. Could you give us a couple of examples of where you think there are voids in their current policy?

Dr MARTIN: Housing NSW does not have very many voids in the policy, but finding your way—it is very difficult to navigate their policy. Housing NSW has quite comprehensive policies, everything from allocations, eligibility, whether you can have pay television antennas there is a policy on it. Some of these things are hidden under headings that you would not think of. Pay television satellite does get its own heading in the hierarchy of policies, but something like succession of tenancy you are looking within changing a tenancy. There are a whole lot of unnumbered paragraphs on mutual exchange and transfers and, finally, you will find succession at the bottom.

A lot of the detail is in a couple of omnibus policies, policy supplements, which, if you printed one, there will be a stack of pages. You cannot keep track of when they change. At the very bottom of that omnibus policy there will be a date when it was last revised, but nothing saying what it was that was revised, and there is no archive of changes made. These things are happening without notice too. In relation to gaps, sometimes there are assumptions made in policies that mean if you have got a particular case that does not really fit the policy or the intention of policy well—for example a succession policy was revised last year. It is now quite tough on people, particularly people under the age of 55.

In relation to people over the age of 55 who are a household member, particularly a spouse or partner of a tenant and the tenant dies, leaves or goes to a nursing home, the remaining household member will typically seek to apply to succeed the tenancy; they will apply for succession. Under changes made last year, if you are under the age of 55 you have to also satisfy the priority housing test. That does not really fit well for a situation where you are trying to stay in housing, because the priority criteria is all about getting people out of bad housing, not keeping them in decent housing. In particular, the policy says that if you are over 55 and you are a spouse or partner of the tenant you just have to be eligible, not also eligible for priority housing.

We are aware of cases where a tenant's older child may be caring for them and the tenant passes away or goes into a nursing home and the child applies for succession. They are over 55 and the private market is not a friendly place for them. They are eligible for social housing and they will apply for it. Under the terms of the current policy the applicant must be the spouse or the partner of the tenant. There is an assumption that over-55s would be a spouse or partner and not an aged child of the tenant. That may be an example of an assumption that in practice creates a bit of a gap or void. Otherwise, the trouble with the Housing NSW policies is that they are not easily navigable because of the great detail.

Mr JOHN WILLIAMS: They are written by bureaucrats.

CHAIR: Do members wish to ask any further questions or do witnesses wish to make any final comments?

Ms SWINBURNE: An additional problem with the policies in community housing is that they can vary between providers and be a bit scant on detail. It is the opposite. For example, to get a copy of a file from one of the community housing providers cost a tenant \$100, whereas in Housing NSW it should cost—

Mr McDONALD: It is \$15 under the Government Information (Public Access) Act.

Ms SWINBURNE: There are lots, but there is a huge disparity. It would be a lot better if everything was a lot more consistent.

CHAIR: Thank you all for appearing before the Public Accounts Committee today. The Committee may wish to send you some additional questions in writing, the replies to which would form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions should that be necessary?

Ms SWINBURNE: Yes.

Ms ASH: Yes.

Mr McDONALD: Yes.

Dr MARTIN: Yes.

(The witnesses withdrew)

(Luncheon adjournment)

WARREN GARDINER, Senior Policy Officer, Council of Social Service of New South Wales,

TRACY HOWE, Chief Executive Officer, Council of Social Service of New South Wales,

CATHERINE POSNIAK, Individual Advocate, People with Disability Australia, and

KATE FINCH, Advocacy Projects Manager, People with Disability Australia, affirmed and examined:

CHAIR: Thank you for appearing before this Public Accounts Committee hearing on tenancy management and social housing. I welcome in particular representatives of People with Disability Australia and the Council of Social Service of New South Wales [NCOSS]. I understand that you have received information about today's hearing. Does anyone have any questions of a procedural or process nature?

Mr GARDINER: No.

Ms HOWE: No.

Ms POSNIAK: No.

Ms FINCH: No.

CHAIR: Before members ask questions, I invite any or all of you to make an opening statement.

Ms HOWE: Thank you, Mr Chair and the Committee. On behalf of NCOSS, I thank you for the opportunity to give evidence today. In brief, comparing the cost-effectiveness of tenancy management across sectors is a complex task because of the different interpretations of tenant management involved, the lack of comparable financial information, and the absence of suitable outcome measures. I believe this Committee has already heard today that there is a lack of concrete data.

In our view, tenancy management in the private rental market operates in a completely different context from social housing tenancy management, and private rental does not have the complex and detailed eligibility and allocation policies that apply to social housing, nor does it have tenants with complex needs that in many cases are common in social housing. In our view, issues to do with social housing tenancy management should be considered in the wider context of the entrenched problems identified in the July 2013 Audit Office report, "Making the Best Use of Public Housing". We await the Government's response to these issues.

NCOSS notes that according to the National Social Housing Survey social housing tenants in New South Wales report lower levels of overall satisfaction than social housing tenants in other States and Territories, and community housing tenants tend to be more satisfied than public housing tenants. We also believe that the good outcomes in tenancies reach beyond just the tenancy being sustained but also to vulnerable groups having community-connected nurse employment options and a raft of other supports.

CHAIR: Does anyone else wish to make a statement?

Ms FINCH: I thank the Committee for the opportunity to give evidence. People with Disability Australia is a peak disability advocacy and representative organisation. We are made up of people with disability and everyone on our board has a disability. Recently we have had an increasing focus on housing. In 2013, 28 per cent of the issues raised with our individual advocates related to housing. It is a primary issue for us. Through our individual advocates we provide free tenancy management support for people with disability. One-third of people living in social housing have a disability. That is because of their particular circumstances, their social and economic challenges, and the tightened eligibility criteria for social housing. That means people with disabilities fall increasingly within that group.

The issues raised in this inquiry are couched within a larger issue that we see in terms of accessible and affordable housing for people with disability. Many people who may access housing elsewhere are forced into social housing because of a lack of other options. Our submission and the evidence we give today may raise some issues with Housing NSW, but we feel strongly that the tenancy management of social housing should be kept within Housing NSW and improved. We echo what NCOSS said. We agree with previous witnesses that

there is insufficient evidence at this point to accurately compare the social, private and community housing sectors.

CHAIR: You said that tenancy management should stay with Housing NSW. Are you again comparing that with the private sector, or are you extending that comment to a comparison with the community, not-for-profit sector?

Ms FINCH: I was talking about Housing NSW and a private sector model or outsourcing services. I know the community housing sector is different and is managed differently by those sector organisations.

CHAIR: Were you around for the session before lunch?

Ms HOWE: Yes, we were.

CHAIR: Then I will not repeat what I said before because it will bore you.

Ms HOWE: We know what you are going to say.

CHAIR: I know that NCOSS has put a statement out, which I think was a little bit alarmist but we will not go there. But it is relevant to the extent that you can compare with the private sector some elements or components, or potentially look at best contestability across all models, and yes we are doing that but there is no agenda or driving for private sector.

Mr GARDINER: Sure.

CHAIR: It is probably a misunderstanding but sometimes these things can become a little bit driven by fear rather than what the reality is. What is your experience of tenancy management delivery by the community not-for-profit sector and how it compares with Housing NSW? Would you recommend an expansion of one over the other? If so, on what condition?

Ms HOWE: If I could briefly say that we have listened to previous evidence. I would concur with those who have indicated that there is not actually calibration across the two options. So often it depends on a champion within a community housing provider or within Housing NSW who is particularly skilled at working with tenants. I do not think—I think someone said the evidence is out, and I would agree—you can say that one is better than the other but certainly there is best practice in both. The same goes for those areas, say, in Housing NSW where there has been a huge turnover of staff and people are new getting across the actual work as opposed to skilled officers within Housing NSW. I would say that it is patchy and there is good practice and best practice in both.

Mr GARDINER: The only thing I would add is, as we say in our submission, we would prefer to have the starting point being the tenant and applicant. In a severely resource-constrained system that is difficult to implement in practice, but it is a starting point. We would say that if an applicant wants to go into public housing to be managed by Housing NSW they should make that choice, not us or somebody else. If they want to go into community housing and they want to select a particular community housing provider our philosophical position would be that is where the decision should reside: with the person making a choice that they think will suit their needs.

CHAIR: That is quite a different model to a waiting list where, as I understand it, they are allocated.

Ms HOWE: I suppose it would depend too on the needs of the person. What you have in different areas—if you look at different regions of New South Wales—is there may be a particular need that a person has that would require support of a particular type that is best met in the community housing provider model or in Housing NSW; it would depend.

CHAIR: But at the moment the tenant does not have that choice between Housing NSW, community housing or, for that matter, the private sector housing?

Ms HOWE: Absolutely.

CHAIR: Mr Gardiner is suggesting a change to the model where the tenant might be able to choose.

Mr GARDINER: If we had the Stock Transfer Program, as it was previously called—it is now called the Property Transfer Program—where some of the business was transferred, we all were consulted extensively about that. That model has always had an element of choice in it. That is not to say that someone would say, "Your new housing provider is going to be X because you are being transferred there. You have to agree to sign a lease with a new provider." We understand most people who have exercised that choice to go to a particular community housing provider are reasonably satisfied with that, but some people have elected that they would prefer to stay. All I am saying is that was the policy framework put in place originally and we are quite comfortable with retaining that. If people started off in public housing they should not compulsorily be transferred somewhere else without their agreement. As I say, I think we are confident that most people who have been given that offer have in the end voluntarily elected to do so, but if you look at the policy—which is on the Housing NSW website—it says the tenant has a choice as to whether they go along with that.

CHAIR: I want to make sure that I understand this properly. You are saying that somebody who is in an existing stream should be able to stay in that stream?

Mr GARDINER: Yes.

CHAIR: Are you or are you not saying that a new tenant should be able to choose where they want to go?

Mr GARDINER: For new tenants or applicants—someone close to the top of the queue—you do have Housing Pathways, a single common waiting list and I believe you do have some degree of choice as to who you go to. If you go into the office of a particular community housing provider and say, "Am I close to being allocated, what have you got to offer me?", I would interpret that as the tenant exercising the choice of: I would prefer to go with you rather than with public housing. So there is still the one waiting list and it does not alter how quickly you might be housed but you still have the choice of saying, "No, I am not going to go into my local Housing NSW office about that. I am going to go to a particular community housing provider and ask them to look up how close I am to being allocated." I would imagine if you were doing that you are really saying, "I would prefer to be housed by you if that is feasible, if there is an available property and I am close enough to the top of the queue."

Ms HOWE: I would add that it is particularly obvious in cases where there are other programs around special needs or complex needs in operation in a particular area and it may be that there are not-for-profit service support options within a community housing provider, which may mean, let us say, a women escaping domestic violence will be supported by that particular housing provider and will not have to wait for a Housing NSW property. So there is an element of choice in some cases.

CHAIR: I return to the generally acknowledged position that there is currently a lack of concrete data and a need for a better framework for measuring the effectiveness of social housing. Research by the Australian Housing Urban Research Institute [AHURI] is aimed at trying to deliver a better analysis with a disaggregation of tenant types and is trying to separate what—in a broad sense it can be a confusing definition—tenancy management services are into the more core and then softer social service support staff. Mindful of all that, what is your view as to what we should be doing as a community and as a government in measuring the effectiveness of social housing?

Ms HOWE: I certainly would echo Shelter NSW's comments around disaggregating the data that you already have to drill down and get some better understanding of what is seen as a good client outcome. That is where you will start to pick up those social cues, the things around tenancy sustainability, and that is also a good outcome for tenancy management. We would say that the single cost-effectiveness score is not appropriate and we would echo Shelter NSW's submissions, but it would be good to have AHURI at some point.

Mr GARDINER: The only additional thing I would say is, if you look at the findings of the National Social Housing Survey—the more detailed report is 180 pages or something like that—they actually ask tenants. One of the issues is that we are removed—we obviously hear from people—but that survey is the best there is so far because it actually asks tenants themselves. There are so many domains in that survey that they ask people about and some of them are clearly not readily changeable or in their control—for example, how close people are to amenities and things like that. I do not think any housing provider can easily say, "Yes, we would like to have more social housing properties close to major teaching hospitals in Sydney" or whatever.

We all understand that concept but that is not something in terms of your tenancy management practice that you can easily change. However, they do ask questions about satisfaction with things about the provider. There are a range of things about the dwelling, the location and then about the tenancy management. You cannot perfectly separate out all of those matters as to what makes a satisfactory outcome for the tenant but those issues are the best measures that are available from the tenant's point of view as to whether they are feeling positive. The observation we have made in our submission, which is taken straight from that report, is that overall levels of satisfaction in New South Wales are less than in other States and Territories.

CHAIR: Why do you think that is so? Why do you think community housing tenants report higher levels of satisfaction than do public housing tenants?

Ms POSNIAK: I am a coalface-type person so I deal with real individuals in a lot of cases. Earlier Dr Martin raised some issues around the real complexity of policy that surrounds Housing NSW and the lack of flexibility, especially when it comes to people with disability. People with disability do not have soft social needs as social stuff; they have needs and the needs need to be met. There are no other options for people with disability. So when it comes to it, trying to find their way through a maze of policies and a range of different bureaucratic levels is almost an impossible task, especially if you do not have an advocate or a support person to assist you with that. So I would say the satisfaction at that level is a level of frustration. Not that Housing does not have the product they need, not that Housing cannot assist them, but that people with disability are finding it almost impossible to negotiate their way through the maze to meet their own needs in that system.

CHAIR: What would you particularly distinguish between the community sector housing and Housing NSW as to why one is delivering different results?

Ms POSNIAK: Dr Martin did say that community housing providers are often smaller, are locally based and have familiar faces working in the community. I work quite closely with the St George community and they have what are called "specialist workers", who go out and do tenant visits for tenants with complex needs. Now they have at least two specialist workers for the St George and Sutherland area. Housing NSW has one specialist worker for the whole of the south-east division, which includes all the eastern suburbs and the city. In that sense, they are able to cater for people with complex needs and support needs to maintain their tenancy, to pick up on issues earlier before they become an eviction. Those tenants feel it is a more personalised service—a service that takes them into account as an individual, as a human being.

Ms HOWE: Could I add something to that? It is important to support what Catherine Posniak has just said but also to note that similar impacts are being felt by the customers or the tenants of those community housing providers that have grown very quickly during stock transfer and sometimes it is to do with size more than being a community housing provider or Housing NSW office. So you might find a Housing NSW office in a small country town really knows its people and with a really big community housing provider servicing that town you may have the sort of inverse occurring. I think that size is one of the main issues.

Mr GREG PIPER: What are the implications of the changes around the disability paradigm at the moment, which have been brought about by the National Disability Insurance Scheme [NDIS], in particular? Ms Finch, did you say one-third of people in community housing—

Ms FINCH: Social housing tenants have disability.

Mr GREG PIPER: Have a level of disability.

Ms FINCH: Have an identified level of disability.

Ms POSNIAK: "People with disability" defines disability broadly. That would include a mental health issue as well as an intellectual disability, physical or neurological or medical disability.

Mr GREG PIPER: A range of things—from very low need for any additional support through to very complex needs.

Ms POSNIAK: High needs.

Mr GREG PIPER: How would the NDIS impact on people in that area? One of the things you were talking about was the advocacy that people in social housing need and, of course, that is one of the issues for

many people to get the best out of the NDIS as well. Are you thinking that people who can access the NDIS to their full benefit will be looking to change their housing options? I imagine they are quite limited or restricted in where they can go because of the services they can access. The NDIS will change that for a lot of people.

Ms FINCH: It is very true the NDIS will give people a greater choice and control. The point I touched on before is that, with the right supports, they may have greater economic opportunities. They may be able to move to a different State to work or whatever. Part of the wider picture is there is possibly not the accessible and affordable accommodation outside social housing for those people who get a job and have a physical disability. As to tenancy management, within the NDIS, people as part of their package are able to apply for tenancy support. I cannot remember the exact wording in the guidelines, but they can get support to maintain a tenancy. It would be interesting to see how many people take that up, in that they would have to request that and somebody in a vulnerable situation may want to look at this. The NDIS will only reach a small proportion of people with disability who may require support. Particularly people with psychosocial disability may not fall under the NDIS.

CHAIR: Further to that, obviously the NDIS is about empowering the individual to choose from a range of services. One would think that there would be a need for a more distinct breakdown of the different types of available services for clients to choose from within a broad set of tenancy management services. At the moment there is a range of services that are potentially integrated, in some cases out of necessity and in other cases it is seen as a sensible suite of services which may not be well measured as distinct deliverables. Under the NDIS I would think there would need to be more of a distinction and a cost attribution for each component. What are your thoughts in that regard?

Ms FINCH: I am not sure if I understand the question.

CHAIR: I can rephrase it or direct it to somebody else. I am saying NDIS—

Ms POSNIAK: Is about flexibility and choice.

CHAIR: It is about flexibility and the client being able to choose what services they want. Rather than saying, "We will take one tenancy management service's package" there is a range of services within a social housing opportunity, particularly if it is a more expansive community service provider model where there may be a range of subservices needing an identified price tag. Hand in hand with that you can more easily tell the empowered client what it will cost and measure things better.

Ms HOWE: I see what you are saying. To understand your question, you are saying you may be provided with supported accommodation, support within your tenancy, and the raft of choices you have is not as big as it would be if you could purchase from a wider set of options under an NDIS package. Is that what you are saying?

CHAIR: No, I am saying the NDIS will be another driver to have more distinct measuring of components and the costing.

Ms HOWE: Sure.

Ms POSNIAK: And who pays.

CHAIR: Who pays, correct. It is not just a package under the NDIS.

Ms HOWE: There is an imperative to cost it out.

CHAIR: You are making choices. It does not necessarily mean the one provider is going to look after it all.

Ms POSNIAK: I think I understand where you are coming from. I have an issue at the moment with somebody who needs a modification because of a deteriorating disability, macular degeneration. Her sight is getting poorer and her current property is now not as accessible for her as it was and it needs a modification in the shower. We have put to Housing NSW that this needs to be done because she is falling over on a regular basis. Land and Housing Corporation—which is again a dichotomy between the two—are saying it is not cost-effective so they will move her. I say they cannot move her because she needs to be in this community; she has

been travel trained and she knows where she is going, she knows what she is doing and she has her services. They say it is still not cost-effective for them. She is not getting her modifications done and she is at risk. As part of NDIS, if she has a package and she wants that done, by negotiating with Housing NSW—

CHAIR: Or another provider.

Ms POSNIAK: —or another provider, she can have that done. That would not happen in the private rental market, because most private rental property owners will not modify their properties. They see modifications as diminishing their returns later on, but Housing NSW or a community housing provider can provide the labour and she can purchase that modification from them. That is hopefully how we see it working and people's quality of life improving once NDIS is rolled out.

Mr GARDINER: The standard cost, for argument's sake, of tenancy management should certainly not be transferred to NDIS because that would be a cost-shifting exercise. The provision for the NDIS is to provide additional supports that are deemed necessary. We would be concerned about suggestions that the basics of tenancy management were being charged to the NDIS.

Mr GREG PIPER: But it may change the mix, because people will make better choices and have a greater range of choices.

Mr GARDINER: Absolutely, which we would welcome.

Ms POSNIAK: In the example I gave, Housing NSW may not be able to meet the whole cost. It would cost my client a lot of money to move and retrain herself. There can be some negotiations, as you say, about cost sharing rather than cost shifting that would make it a viable proposal for the modification to be done.

CHAIR: It was an observation that the system should be more flexible, but with that flexibility you have to have a better idea of what different components cost and how effectively they are being delivered, which we do not have currently.

Ms POSNIAK: That is true, but anecdotally I can tell you that it is not great, otherwise I would not have a job. I would say, because I am in the Sutherland shire, I work as a regional advocate and 70 per cent of my work is about housing and accommodation—saving it, getting it, getting it modified, making it adequate and all of those things. It takes a lot of energy not just from me but from other community sector workers in the shire. We spend a lot of our time doing that, so there is huge room for improvement all round. It is not just Housing NSW but also the community housing providers when it comes to difficult and complex disability needs.

Mr JOHN WILLIAMS: What is your experience of community housing and public housing supporting you in getting housing adapted for your clients' needs?

Ms POSNIAK: That is a difficult one; it is up and down. Some people who spoke said that if you get the right person doing the job then it is easy but if you do not then it is not. The guidelines and the policies are very clear and limited as to what Housing is prepared to do. I understand that Land and Housing Corporation has had a lump of money from Ageing, Disability and Home Care [ADHC] in order to make necessary modifications for people with disability. However, that lump of money has to do the whole State, has to do every modification and there have to be choices made. Advocacy is there to push your client over the line, in a way, when you are competing for limited resources.

Mr JOHN WILLIAMS: Has specific housing been built for people with disability?

Ms POSNIAK: There has been recently, certainly in my region. From 2009 there was Nation Building Economic Stimulus Plan housing, a lot of it managed by community housing providers. All of that was able to be made accessible—so ground floor, cabinets can be changed, bathrooms are hobless—and it is a flexible space for multiple disabilities. But there is not enough of it and never will be.

Mr GARDINER: If I could add one thing, it is a very important question and it is one area where there is scope for improvement. We would like public reporting of how many of the properties owned by the Land and Housing Corporation are currently classified as being wheelchair accessible, as is happening with railway stations and public transport. We would like to see some plan over time to raise that number. I think it is quite

difficult to get that data and to understand whether it is improving. Demonstrably under the stimulus package a lot of quite accessible properties were built, but we do not know the overall state of the portfolio.

Ms POSNIAK: And how that meets actual needs.

Mr GARDINER: We would like to know that and track over time whether the situation is improving, because clearly with an ageing population and so on it is a big challenge for the system.

Mr JOHN WILLIAMS: Outside of that, I draw on an example of one of my constituents who built a motel and part of the approval process was that a certain number of those units be built for disabled access. The private sector has been regulated to make provision for people with disability, but public housing does not want to be regulated. When you look outside the public housing sector and how the needs of people with disability are met, is there within the public sector a greater nexus for providing services to people with disability or is everyone getting the same level of service?

Ms POSNIAK: Often what is available in the public sector in terms of rental property does not meet the urgent needs of people with disability. Policies like private rental subsidy and head leasing have been developed to meet the needs of people who cannot be urgently accommodated in a property in stock that meets their disability needs. That puts it on the advocate to find a property that meets those needs in the private rental market and offer it to Housing NSW as one that needs to be subsidised for that person. Then you do not have consistency of tenancy, because it is private rental and you do not know how long it is going to last. This person needs to be in one place near services for a while and therefore a public housing provider is far more able to offer that than a private rental system.

Mr JOHN WILLIAMS: As part of your role as an advocate, once you have a client established in housing, do you monitor the services provided to them?

Ms POSNIAK: Once I have a client in housing I support them to get things like case management, home care and all of the services they need to maintain that tenancy. An advocate really only comes in and hoses down the situation once it is out of control. Hopefully, if you do the job right and you get the right supports in place for that tenancy, and have that cooperation with the housing provider, then you might never have to deal with that person again—and that is a success.

Mr JOHN WILLIAMS: Some of the evidence that was provided by some of our witnesses from earlier this morning from community housing seems to suggest that community housing providers are better equipped to look at individual tenant's needs. Do you think there is a demonstration that that is happening?

Ms POSNIAK: I think that, because government services are bound by their obligation to meet the public interest test and to fulfil certain public policy objectives, in the way in which those tenancies are administered there is a greater level of tolerance for the differences of someone with a disability in a public housing tenancy than then there is for somebody in private rental.

Mr JOHN WILLIAMS: When you say "private" do you mean community housing?

Ms POSNIAK: Niche community housing providers—so, for example, women's housing or housing for people with intellectual disability—are fantastic at supporting their tenants because that is what their focus is. Their tenants are all people with that characteristic. Broader providers as they grow become more of a provider and less of a supporter.

Mr JOHN WILLIAMS: So they become more of a rent collector?

Ms POSNIAK: Yes.

Mr GARDINER: That is where the survey that we keep referring to comes in, in a sense. It is the only evidence we have. We can all express our opinions but our opinions are based on anecdotes, our own contacts or whatever. We have all had good and bad feedback about both sectors. Sometimes people think that, because the Council of Social Service of New South Wales is the peak body for the non-government sector, we are about drumming up business for our sector—whereas in fact our business is about getting good outcomes for people; and that is what we say in our submission. We are agnostic about the overall question. I would like to see the results from the tenant survey showing a higher level of satisfaction for everyone across all providers. That is

what we are interested in seeing. At the moment community housing is just all grouped together—it does not tell you about satisfaction with each particular provider. Maybe the tenants of some providers are more satisfied than others. I guess what we want to focus on is that we have an optimal level of satisfaction with providers.

Mr JOHN WILLIAMS: I agree that the satisfaction index is a driving indicator, and obviously it goes straight to the grassroots to measure their satisfaction with the providers.

CHAIR: Just on that, I can see a slight conflict or an irony in that the satisfaction data actually suggests that the community providers are doing better than Housing NSW.

Mr GARDINER: We have said that.

CHAIR: Whereas People with Disability Australia were suggesting—more anecdotally perhaps, including the example quoted on page 11 of their submission—that they are not as responsive. Either it is a subset—

Ms HOWE: The disaggregation might be really helpful for that.

CHAIR: Correct. We just do not know. The only data we have goes against the anecdotal evidence information that has been provided. That is my observation.

Ms POSNIAK: And that is the problem with anecdotal information, because it could be very much regional.

CHAIR: Is there anything that you want to say on the Housing and Accommodation Support Initiative [HASI] or the provision of parallel programs in terms of advocating for the expansion of those sorts of programs and their success or otherwise?

Mr GARDINER: We will not resist that invitation. NCOSS for some time has been advocating for the Housing and Accommodation Support Initiative. It is a very good program. It has been independently evaluated by the Social Policy Research Centre and the positive outcomes have been verified. The issue we have raised in relation to that is that HASI was designed to provide the clients of the mental health system with access to housing with support. It was never designed to address the issues involved with people with a serious mental health issue who are already in the social housing system and who have unmet support needs. So we have been advocating for some time and our discussions with providers of all types, both public and community, have consistently indicated to us that this is a big challenge—that they do have current tenants, not tenants housed by HASI, who have unmet needs.

I am not talking about clinical needs so much. HASI provides people with one-on-one support from an NGO support worker, who keeps in touch with them at least a number of hours every fortnight to make sure that everything is progressing—that they are keeping their appointments, they are paying their rent and they are dealing with any challenges that might face them. Feedback to us indicates that there clearly is significant unmet need amongst existing social housing tenants where housing providers would like to access a similar model. I do not think the model needs to change but, as I say, HASI was designed to address the other side of the coin—if I might put it that way—for people who are in the mental health system who need stable housing to stabilise their position.

We understand those arguments but we have also been advocating for some consideration to be given to a specialised program where housing providers could identify someone who has a serious mental health problem who is an existing tenant and who would benefit from having a support worker keep in contact with them to help manage the challenges they face on a day-to-day basis. The level of assistance that HASI provides people is way beyond what you would expect a tenancy manager to provide.

CHAIR: I just want to put a question on the counterpoint: What about people who are not in social housing? If you attach too many services to the fact that somebody is in social housing accommodation then is that unfair to the people who are either on the waiting list or who, for whatever reason, have their accommodation needs met through some other means?

Ms HOWE: Looking at the direction of government policy at the moment, particularly with the Going Home Staying Home principles, I would say that it is about supporting people who might actually be in

accommodation currently. They may be in properties that are not necessarily crisis, transition or community housing. There is work already being done out there to support people in their tenancies or, even if they are in the home, to maintain their payments, because they have complex needs. I guess it is the housing first principle—which is how I would see HASI, as a housing first principle. So I would say that there are options out there for people not necessarily in public housing.

Ms POSNIAK: There is the temporary support for rental accommodation at a time of family breakdown program, the Start Safely subsidy and the private rent subsidy. Those programs are out there and available—a lot of people do not know about them but they are there.

CHAIR: There being no final questions or comments, I thank you all for your evidence to this inquiry on what is an important issue. Mr Gardiner, I think you summed it up well when you said that we all want better outcomes. That is common across all participants. Hopefully, we can contribute in some small but meaningful way to achieving better outcomes for people. We all want to make sure they are appropriately supported in our community. Thank you for your evidence, both written and oral. I note that there may be further questions that the Committee may wish to ask and that would form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions should it be needed?

Ms HOWE: Yes.

(The witnesses withdrew)

CHRISTINE AGIUS, Executive Officer, Action for People with Disability, affirmed and examined:

AIDA MORDEN, Individual Advocate, Side by Side Advocacy, sworn and examined:

CHAIR: I welcome Ms Christine Agius from Action for People with Disability Incorporated and Dr Aida Morton from Side By Side Advocacy to this hearing of the Public Accounts Committee in its inquiry into tenancy management in social housing. Thank you for attending to give evidence today and for your written submissions. Before we proceed, do you have any questions concerning procedural information or in relation to the giving of evidence or the hearing process more generally?

Ms AGIUS: No.

Dr MORDEN: No.

Ms AGIUS: Action for People with Disability provides advocacy for people with disability across the northern region of Sydney and provides support to their families.

Dr MORDEN: Side By Side Advocacy assists people with intellectual disability in the North Sydney region.

CHAIR: I invite either or both of you to make an opening statement before we ask some questions.

Dr MORDEN: In 2012-13 the Consumer, Trader and Tenancy Tribunal reported a total of 49,396 applications lodged regarding tenancy disputes in New South Wales. Of those applications, 31,671, or 64 per cent, were applications from private tenancies and 17,725, or 36 per cent, came from social housing tenancies. Considering that more than 85 per cent of tenancies are private and less than 10 per cent are social housing tenancies, there were more tribunal applications lodged by social housing tenancies than by private tenancies. Applications for all tenancies, year after year, are mainly initiated by landlords—last year they were 75 per cent of applications, while only 24 per cent were tenant initiated. Both public and community housing continue to use the Consumer, Trader and Tenancy Tribunal as a tool—even if adversarial—of tenancy management.

Tenancy management is principally casework. It is relationship intensive and communication based. There is no shortage of anecdotal and written reports describing the lack of polite, courteous, communicative interaction, which leads to the involvement of the tribunal, requiring huge human resources and financial costs. Each tribunal application costs \$47. Hence, last year alone social housing applications totalled \$833,075, give or take—and this does not include the wages cost of all the staff involved in the tribunal process. Both public and community landlords are therefore failing in one of their fundamental roles, which is social housing landlords have the obligation to contribute to the social welfare of their tenants primarily in sustaining their tenancies and preventing homelessness.

As advocates of social housing clients, we extend assistance from the simple inquiry to representation at the tribunal. My 21 years of practical experience in dealing with housing officers and tenants provide me with a strong base for the sole recommendation that I feel privileged to have been allowed by this inquiry. The major, largely ignored, issue in tenancy management is the tenant-landlord relationship. The communication between tenants and landlords is a major factor in the success or failure of tenancies. Community workers believe most of the disputes that are brought to their attention could have been resolved with civil, respectful and polite communication. In many instances, community workers have to take over the case because of a breakdown in communication, such as exemplified by explosive behaviour between the housing officer and the tenant.

The failure in communication usually leads to increased resentment and hostility, with a host of actions compounding the failure, as actors from both sides trigger the resurfacing of past grievances. As a result, a current tenancy issue—for example, rent arrears—is sidelined as communication becomes the key issue in itself, with both sides claiming to have been lied to and/or threatened by the other. For people with disability and their network of support workers, tenancy management in social housing is all about their relationship with housing officers. Tenancy issues, such as rent arrears, rent increase, repairs and maintenance, neighbourhood disputes et cetera, are discussed and should be resolved at the local interaction level between the housing officers and the tenant. At the moment it is far from that, as evidenced by the increased applications in the tribunal and with the continued use of this adversarial role.

My recommendation is, firstly, that housing officers should have an education and training on the social role of social landlords. Distinct from private tenancies, social landlords have the obligation to contribute to the social welfare of their tenants, who are all vulnerable tenants by the fact that they are social tenants. In my submission I have described the possible education and training that should be focused on housing officers in order that the tenancy management service can be improved.

Ms AGIUS: We have as many as thousands and thousands of people currently waiting on the Housing NSW list and all social housing waiting lists, and there will be a lot more people applying, given the decisions made by the Commonwealth Government in regard to the rollout of the NDIS. The very small amount of money that is now going to be made available for people for the future building of supported accommodation for those people requiring it will mean that there are more families intending to apply to Housing NSW and to social housing. Bruce Bonahady spoke at the housing industry forum last week and said that they are relying on community housing to build this accommodation that will not be built in the future as has been in the past. Community housing's response was they do not have enough leverage. Bruce Bonahady suggested that they look to the families of people with disability.

I am a person with disability. My son is 28 years old. I have been an advocate now for 30 years for people with disability, and all of the documentation over all of those decades shows that the majority of families supporting a person with disability do not have the financial wherewithal to provide that accommodation. There are many, many sole parent families due to the breakdown in marriages. Again, it is very well known that when they are supporting somebody with high and complex support needs there is usually only one wage earner in the families where there are two parents; they do not have the opportunity to build up their superannuation or their finances; many do not have the opportunity to buy properties.

So in this reliance upon families to provide the leverage to community housing to build that is not realistic in the future, particularly for those people with high and complex support needs. Families are saying that increasingly now, rather than going on the waiting list or sitting back, as they have had to do for decades to wait for a person to die so there is a vacancy. We all camped out in Hyde Park in 1994, which got us 290 accommodation places and exposed the \$50 million that they needed. Two hundred and ninety places was a drop in the ocean and back then our call was nine out of 10 missed out; it is the same now. You have people now waiting for 30 years—three decades—parents in their eighties, waiting for the provision of permanent supported accommodation. With the lack of the ongoing building of accommodation or a range of options for accommodation in the future, you are going to have more people applying to Housing NSW for accommodation or to social housing.

In the experience that families have when they are renting now as a family supporting a person with disability, the negative experience that they are having now in the private sector and the difficulties they are having and the difficulties being experienced by some service providers now are that there is less accommodation being built and the ADHC contracts that they undertake mean that they have to source private rental accommodation. When you approach private rental providers when you are supporting a person with disability or a number of people with disability, it shows that it is very difficult. In our experience with Housing NSW there is a pool of expertise within Housing NSW where very quickly its staff can pick up when a person requires referral to other services.

There is also the situation where within that they have a level of expertise—and at the moment under the adjoined departments, having access to that, it is quite a smooth operation for them to follow—if they have to go to Ageing, Disability and Home Care to look up relevant documentation about a person there, to see how quickly and how critical the need is and to substantiate their support needs. Now with ADHC going to be gone in 2018, Bruce Bonahady saying that the NDIA is not and will not be a crisis centre; the first crisis for people is accommodation. After that, it is the supports going to them within that accommodation. You are not going to have a crisis centre in New South Wales. I cannot pick up the phone to the Director of Disability Services and say, "I have a person absolutely homeless. We need to do A, B, C to work on that". You just do not have it. You do not have an immediate allocation of a caseworker to seek accommodation.

For advocates who fill the gap, advocacy funding in New South Wales at this time is at risk. There is no surety of funding for advocates after 30 June 2015. Minister Ajaka is having discussions with Senator Fifield at the Commonwealth to work out who is going to pay it and how it is going to be paid. At the moment there is no real increase in funding for advocacy. Since 2000 there has been no real increase in funding; so we all work voluntarily. My week could be a 70- to 80-hour week; we all work that trying to fill the gap, and on Friday

afternoon when I have a homeless person who desperately needs accommodation, I ring an experienced person at Housing NSW to try to facilitate that or get onto ADHC if the person is eligible for ADHC services.

What I am saying is I believe the absolute experience they have is that a for-profit private tenancy management agency is for profit and will not allow, I do not believe, the time that people may need to put in a housing application. You may have somebody there who has the benefit of the capacity to speak on their own behalf, but in a lot of life-skill areas they have great deficits of capacity, which is not immediately apparent. You have a lot of competition now between a person with disability and people without disability. Some of the social housing providers stated at the housing forum that they cannot then wipe off the waiting lists now people without disability who are waiting for the provision of accommodation—these thousands upon thousands who are waiting.

So you have a crisis situation. It is very important then if a person needs housing and they need it right now—their very first important need is shelter from the weather and to have a roof over their head—and they have a second lot of degree of difficulty in them being a person with disability, they make that contact for help. If it is somebody who is operating on a time line or financial expediency, it is going to be extremely difficult for that person to have the opportunity to make their full needs known or their full needs explored and documented.

CHAIR: We have some questions that are ready to be asked but I just want to pick up one aspect of each of your opening statements. I will start with Ms Agius. I did not quite understand why the NDIS, according to Mr Bonahady—and, therefore, also you—will result in less housing being available or less resources. My understanding was that, in fact, the NDIS is about putting the resource back in the control of the individual. Why would not the individual have the option of choosing to spend some of that resource on a housing solution, albeit perhaps not provided by ADHC?

Ms AGIUS: What is happening is that if a person needs to go into private rental—

CHAIR: Not necessarily private; it might be not-for-profit, community—

Ms AGIUS: Whatever rental they have, if they have a need for it now then it is not going to be there in social housing, but NDIS will provide only a very small component of rental if the person can prove that they do not have the financial capacity to pay that rental—only a very small component.

CHAIR: I may be misunderstanding but I thought the NDIS was about providing more resource but putting it in the power of the individual to—

Ms AGIUS: No. At the housing forum I had to remind Mr Bonahady about the reality of the situation for families supporting people with disability when he asked community housing to go to the families of people with disability. He said to me that NDIS fixes the big problem and the big problem is the support. That is the daily support that a person needs. I said to him that is a large problem but, unless you have the accommodation for the person with disability, you have nowhere where you could put that support. So, no, it is not going to provide accommodation. Many families—thousands of families—in New South Wales are absolutely dismayed that there is not going to be the accommodation support that they believed there would be.

CHAIR: Is less accommodation support therefore going to be provided under that system and why so?

Ms AGIUS: At the moment if you want permanent supported accommodation for your family member you make an application through ADHC. ADHC holds the waiting list. When a person dies or moves to aged care out of permanent support accommodation there is a vacancy. They scope all of those people waiting and find who is of the most critical need. When the National Disability Insurance Scheme comes in there is no agency holding that waiting list; there is no ADHC.

CHAIR: You are saying they will go onto a social housing waiting list?

Ms AGIUS: That is what is going to be there for them. Of course, when ADHC are devolving all of their permanent supported accommodation over to the non-government sector at this time, and particularly for the last five to six years when the push has been to the private sector, they do not have the capacity to support people with complex support needs. So that is another crisis to come.

CHAIR: That is a significant issue but it is not one this Committee can delve into in any detail because it is not strictly within our terms of reference. I wanted to explore it a little bit more because I did not understand that dynamic. I do not think we will fully understand it here and now but it was good to flag it as an issue. Dr Morden, obviously it is your philosophical position that social housing providers have a social obligation to do a lot more than just provide housing.

Dr MORDEN: Correct.

CHAIR: Perhaps you might want to expand on to what degree you see that obligation existing and how you reconcile it with other people who have disabilities whose needs beyond their accommodation are met through other government agencies. How do you attribute costs or responsibilities to the tenancy management provider as opposed to those other agencies?

Dr MORDEN: Firstly, Australia is a signatory to the United Nations convention regarding the basic human right to housing. In response to that the government has an obligation and has been in fact supporting that obligation in terms of providing public housing or, more recently, social housing. But it is becoming thinner and thinner because of the emergence of community housing. Philosophically and practically I have questions. My doctoral thesis is about public housing and community housing. I have some concerns about the privatisation of public housing in terms of giving stock to manage to the community housing. That is simply because—and I know you have heard this already so many times—the social obligation of the government in response to its obligation under the UN convention as well as a social welfare society will not be met by the private sector, by community housing.

Through time public housing has become very constricted to the vulnerable sector of the population. Rightfully, the focus of support is more in demand now rather than not. When a person is placed in social housing it does not stop there because the reason you are in social housing is because you have multiple disabilities, you have multiple needs and therefore you need a network of support. Only the Government has the resources to do that and the responsibility, in fact, and obligation to fulfil that responsibility. In the private sector only if there is a law that will require community housing, for example, and other types of private housing that would like to be involved in housing our vulnerable population then they should—

CHAIR: I am sorry to interrupt but I am conscious of the time. Let us assume the Government has an obligation to look after somebody. Why should it be done through the housing provider and not other government agencies? You are inherently linking the support services to the accommodation provision.

Dr MORDEN: Yes, because as Ms Agius says, without housing you have nothing. You need to be housed first in order for support to be provided. In fact, support services will not provide support to a person who is not housed.

CHAIR: If that is the case it is disturbing because I do not know that is the way it should work.

Dr MORDEN: Housing is the basic.

Mr MICHAEL DALEY: Ms Agius, you said that there was a body of expertise in housing in relation to identifying and assisting people who need third party referrals. Does that body of expertise not reside at least to some extent in the social housing providers as well?

Ms AGIUS: Yes, in social housing there are pools of expertise within their offices. When I say Housing NSW, I mean social housing. I will make one point if I may. There are many thousands of people with disability support needs in New South Wales who will not be eligible for the NDIS and the New South Wales Government is still going to be responsible for those people's supports. People in NDIS may have funding for supports to help them in their applications but those other people who will not be eligible for NDIS will not. There are many more thousands of people with disability who will not be eligible for NDIS than will be eligible, as proved by the Hunter figures.

Mr JOHN WILLIAMS: Dr Morden, you mentioned the overuse of the NSW Civil and Administrative Tribunal [NCAT] as the last point in a dispute. Do you get any early warning that a dispute is going to be resolved this way? Obviously either by correspondence or another means at some point Housing NSW would tell your client or the tenant that he is in breach of some part of the Act in relation to his tenancy. You would get an early warning, would you?

Dr MORDEN: Perhaps I can respond to that by saying that I just had a meeting with one of the community housing providers. The main cause of landlords terminating tenancies and going to the tribunal is rent arrears. Most of these cases are because the rental rebate or subsidy has been cancelled. For example, in the case of this particular tenant there was no rent review for six months and suddenly he had a debt of \$7,000. We are appealing to the community housing providers that this tenant should be given a chance to pay the debt but, no, they immediately apply to the tribunal.

Ms AGIUS: Often a person with disability does get the warning but it is not until the very end of the crisis situation where they will come to an advocate because they do not have the capacity to deal with the early warning.

Mr JOHN WILLIAMS: In the event of you advocating on behalf of this tenant, are there people within the department to whom you go to try to mediate the situation before it gets to NCAT?

Ms AGIUS: Yes, absolutely. If we get that information beforehand, absolutely. I have not known of a situation where it has had to go to NCAT where we have been involved except when a service provider has had a notice of eviction for a group of four people with disability and they did nothing about it for three months. Apart from that, we can usually resolve the situation before it gets to NCAT if we know about it.

Dr MORDEN: However, what is happening—and it is increasing, especially with community housing providers—is that they are not giving the tenant a chance to approach an advocate because they go straight to the tribunal. That is because at the moment the law says that when you issue a termination notice you do not have to wait until the end of that termination notice to apply to the tribunal; you can apply simultaneously and then there will be a hearing one or two days later. Most of them are specific performance orders, but what is disturbing is that most of the calculations of rent are wrong. If a tenant already has a specific performance order to pay the debt it is very difficult to go back and review it. What is really important is communication and that social housing providers should follow their own procedures. They do not follow the procedure: They just apply to the tribunal because it is an easy way to resolve a dispute.

CHAIR: A number of the submissions recommend better staff recruitment, training and support for housing staff in tenancy management. You both have experience on the ground. Forget about the private sector because for the foreseeable future we have community providers and Housing NSW as the public providers. Have you noticed a difference in terms of staff competency and the like between those two sectors?

Ms AGIUS: Yes.

Dr MORDEN: Yes.

CHAIR: Could you give us some brief feedback on that?

Dr MORDEN: I have been a tenant advocate for 13 years and I have bad news because the social housing landlords are worse in terms of tenancy disputes. At least with private tenancies we do not have expectations from them; they want to get money from the tenants.

CHAIR: Terminology is important here. When you say "social housing" and "private" what do you mean?

Dr MORDEN: Private tenancies.

CHAIR: I am trying to compare community housing providers and their staff and the staff at Housing NSW or the public housing sector. From your dealings with those different providers, what are your observations of the differences?

Dr MORDEN: With public housing, because they have been there for a long period of time, I will not say they have expertise but they have specialist officers who will provide various services and support to tenants. With community housing, there is very little and they are acting worse than real estate agents.

Ms AGIUS: Particularly over, I would say, the last seven or eight years, I think the level of expertise and the pools of expertise within Housing NSW have improved. Sometimes where there might be the most

senior officer in a Housing NSW office coming on board things might start to change but they then go back to how they should be after a little while. I have found that previously—I am going back 20 years—you had different responses from different Housing NSW offices but I find now that across all of the offices there is more of the same approach or same response to people with disability there.

CHAIR: And community service providers in comparison?

Ms AGIUS: There are pockets of excellence within there but I would agree with Dr Morden that there are difficulties with some of the community housing providers.

CHAIR: I appreciate both your written and oral evidence. The Committee might want to ask additional questions, the replies to which would form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions?

Ms AGIUS: Certainly.

CHAIR: Thank you for appearing before the Committee today. As a member representing the north side of Sydney, it is good to see such good representation for the region.

(The witnesses withdrew)

FREDERICK "RICK" JAMES BANYARD, Committee member, Property Owners Association of NSW, affirmed and examined:

CHAIR: Thank you for appearing today. I note that you arrived early and had the opportunity to hear some of the discussion. I note that you represent the Property Owners Association of NSW. On behalf of the Committee I welcome you to our inquiry today. The inquiry is focused on tenancy management in social housing. As we have explored earlier, social housing has an important stakeholder in community service providers. We have asked questions at different times in terms of potential benchmarking against private sector operators and activity, and also the potential for private sector involvement in social housing aimed at delivering good outcomes. In terms of balance, we want to make sure and appreciate the fact that we have the opportunity to explore with more of a private sector focus some of the issues that we are looking at today. We appreciate your submission to the Committee. In what capacity are you appearing before the Committee?

Mr BANYARD: I am a committee member of the Property Owners Association of NSW and affiliated with Property Owners Association Australia-wide.

CHAIR: Would you like to make an opening statement before the Committee asks any questions?

Mr BANYARD: First, I feel rather lonely being here today in that I represent an organisation that believes we are deeply involved in social housing as private landlords. I will give you a quick rundown of the housing statistics. There are about 2.5 million dwellings in New South Wales. These are from the Australian Bureau of Statistics figures and I have just rounded them. Privately owned houses are about 750,000 fully funded, fully paid for, and about 750,000 with mortgages on them. So about 1.5 million houses are owner-occupied houses. That leaves about one million properties that are rentals. The Department of Housing has about 140,000 of them and there are about 100,000 in other types of structures. That leaves about 750,000 properties that are basically in the ownership and control of private landlords, that is, the members that our organisation represents. I do not purport that we have 750,000 members but that is our base. There are also a number of other people who are in granny flats and other sorts of housing arrangements that tack into the private owners arrangements as well, such as children paying board and all those other things which are effectively a form of housing.

The private housing sector is the only group of housing providers that provides tenants with a choice. Tenants choose the house they want to live in, the locality they want to live in, the rent they want to pay. They make all the choices themselves; they are not steered into any type of accommodation. The best thing that the Property Owners Association [POA] can do is to put in the marketplace properties that match the needs of potential tenants. After all, it is in our interests to do that because presumably the better we match to the needs of the tenant, the better rental we will get. For example, good quality one-bedroom apartments now bring more money than five- and six-bedroom houses—that is from the latest statistics—because that is what the community, particularly the younger ones, are chasing. The provision of houses that we provide is market driven.

Another important thing is that the Committee needs to think where the tenants go who are evicted from the so-called social housing groups. Generally, when they are evicted from a social housing group it is the genuine private housing group that takes up those tenants and provides them with a roof over their heads. I agree that the roof over the head is the most important thing any tenant can get, no matter what their other status or other issues. So the POA provides a good opportunity for tenants. We certainly believe that out of the 750,000 properties that are on the rental market, probably half of them are providing dwellings to people who are social housing type people, and the definition of social housing that we use is basically low-income earners. It is the low-income earners who cannot afford to buy their own house, to finance their own property, and by and large the majority of our tenants are, without doubt, social housing.

Social housing tenants can be disabled, mentally retarded, all sorts of other ways deficient. It does not mean to say that just because they have private rental accommodation that limits them, because the community, the Government and other departments are full of providers that provide all sorts of resources to people who are living in varying housing structures. All of the 1.5 million people who are living in private dwellings are serviced by the hospitals, external units and all these other people who have aids, ramps to the front door, you name it, they are all out there, they all can be provided and it does not matter who actually owns the building. Those are my opening comments. It is important to think about that. The Property Owners Association believes that we provide a large amount—and our records show this—of accommodation to people who could be

classified as social housing. The final thing I would say is that the Property Owners Association is keen to work in partnership with tenants to provide accommodation for them. If they do not have a roof, we do not have any rental income.

CHAIR: You bring an important perspective to this Committee, because in terms of getting a balanced range of views you are an important stakeholder. You have articulated a little about your organisation and the scope of it. In your written submission you have advocated for various reforms and improvements. Can you indicate where you have advocated those proposals in the past and what sort of response you might have received?

Mr BANYARD: We have been involved in other submissions to various organisations, inquiries and whatever from time to time. Those general viewpoints are ours—the Property Owners Association has been going for about 50, 60 years or something like that, so this has been a long-term thing. The two main pieces of legislation that probably govern properties are the Residential Tenancy Act and the new regulations that cover boarding houses. As background information, if you like, and arguments behind those two types of legislation are some of the arguments that we have put forward. One of the key things we referred to in our submission was the fact that we seem to be operating with a rule book that is wide and varied, and a number of the organisations that are helping tenants are using a rule book that may not even be compatible with the Residential Tenancy Act. That is a big concern to us.

We believe that the Residential Tenancy Act and the boarding house legislation are put forward to be the guide for the provision of housing to tenants. Therefore, that is the framework under which things should be operating and should be following. The provision of additional services, which is what a number of the community housing organisations are doing in various forms—some better than others; some are putting a whole list of stuff forward, as you heard today, and others are only putting forward minor things. Our association provides the house and that is it. But it does not mean to say we ignore the needs of the tenant. Most of our landlords work extremely hard to provide the best facilities, the best accommodation that they can. Bear in mind the tenant is also paying rent, so the landlord can only viably provide the housing if the income is there to justify it. That is a problem, that is a catch. There are some limitations in that.

I think the last speakers mentioned the business of rent assistance. Rent assistance to a tenant who is in a Department of Housing premise is actually paid to the Department of Housing by government sources. It is then deducted off the rent and the tenant then pays the balance. The tenant might think that the rent is \$250 on a property. That is what they think and they go and tell all their mates, "We're only paying \$250." But for the same property they might be paying \$350 to a private landlord, but the private landlord does not get the rent assistance. The rent assistance is paid to the tenant and the tenant can use it to subsidise his rent, to buy extra packets of Weetbix or other substances. So there is no guarantee that the money that is given does that. But when two tenants compare their rent and one says, "I'm paying \$350", and the other says, "I'm paying \$250", the reality is that they are paying the same.

CHAIR: In terms of the reforms or suggestions for improvements you have mentioned in your submission, has the Association tested, for example, the ideas of formal training for tenants or insurance requirements for tenants and a tenancy register? Were those sorts of issues put to either a rental tenancy or boarding room provider?

Mr BANYARD: No, we have not formally put that forward. It has been in loose discussion. When we prepared our submission for this we put our thinking caps on and thought what things could be done that could fix some of the problems that are going on now, make things better and be things that you could put in your recommendations list. Certainly it seemed to be worthwhile to consider tenants having to somehow or other find out about the Residential Tenancy Act, the rules and the social services that are available to them before they enter into a commitment of signing up a tenancy and therefore some sort of training, maybe a one-day long seminar, training session. We do it for all sorts of other things in our community now and it would seem appropriate. That is why we put that forward.

CHAIR: I do have another question but I will go round the Committee.

Mr GREG PIPER: I think you said 750,000 properties that you estimated are in private ownership.

Mr BANYARD: Yes. That is not what we estimate; that is what the Australian Bureau of Statistics says.

Mr GREG PIPER: Okay, but you have rounded it down. You have broken it down to about 750,000, many of which would be providing notionally social housing.

Mr BANYARD: Correct.

Mr GREG PIPER: Does the Property Owners Association include representatives from real estate agents, property managers and things like that, with more than 750,000 properties?

Mr BANYARD: The short answer is no. Our association is an association of landlords. We do have some members who may have other roles as well, but it is an organisation, like the Real Estate Institute and things are the ones that basically look after real estate agents, buying and selling properties and all that. Our interest is purely in the role of being landlords. I can provide you with a copy of our constitution if you want.

Mr GREG PIPER: I do not really want to read it, to tell you the truth.

Mr BANYARD: That spells out our aims and objectives.

Mr GREG PIPER: I will take your word for it. It is just that in my experience in my area, a lot of the private rental is put into the hands of real estate property managers. Therefore I would have thought that a substantial number of those 750,000 would go to professional real estate agents and real estate property managers—

Mr BANYARD: One option for property owners is to engage somebody to do the job of being their property manager or strata manager or whatever, depending on the housing structure. Yes, a fairly large number of real estate agents do handle the rent roll. But there is a fee for doing that, and that fee comes out of the landlord's money and that is really no different to the landlord paying the accountant to do the tax return or any of those other things.

Mr GREG PIPER: Given that some do, and given that you have an association that does essentially represent landlords, whether or not they join, notionally you are representing them, is there a role for your association and these other groups, the Real Estate Institute of Australia, whatever, to participate more, become more engaged in this question about social housing provision? In your submission you referred to training for tenants, which is well and good, but there is another side to the coin. Is there any professional development that you have seen through your association in relation to the provision of social housing?

Mr BANYARD: The Real Estate Institute [REI], because its members are businesses in their own right like Ray White and organisations like that, has a reasonable amount of, if you like, in-house training, but there has also been discussion about formalising the training for staff in those establishments, and that has been an ongoing debate. I cannot speak, obviously, for the REI and what they are thinking, but the Property Owners' Association has fairly good connections with other organisations, as you would expect.

Mr JOHN WILLIAMS: I have just one question. If I had not read your submission, I probably would not have known about the Property Owners' Association. How many members do you have in New South Wales?

Mr BANYARD: I do not know the actual membership number off the top of my head. The membership number varies quite considerably from time to time. When there is a crisis, the members flock in, and when things die out they move backwards. The Property Owners' Association has branches in each State and we also have a national body as well. In some of the other States the name of the organisation is a little bit varied. It is not necessarily "property owners", or "Property Owners' Association Inc." like ours is, but there is an organisation in Canberra, and there is an organisation in each of Victoria, South Australia, Queensland and Western Australia.

Mr JOHN WILLIAMS: Would you provide advocacy in the event one of those landlords being taken to, say, the Civil and Administrative Tribunal of New South Wales [NCAT]?

Mr BANYARD: I am sorry?

Mr JOHN WILLIAMS: Do you provide assistance to members who might be called to NCAT?

Mr BANYARD: Absolutely. We constantly provide advice and assistance and run seminars for our members on all of the different aspects that our organisation gets involved in. The organisation in New South Wales operates by having a board. The board meets at least every two months, sometimes more frequently than that. We generally have seminars and things in between, but there are frequently discussions about how to deal with certain aspects and how we can go forward. This submission that we have put forward is the sort of thing that we are constantly dealing with.

CHAIR: In some of those suggestions you have ideas about taxation incentives and concessions for landlords. Have those sorts of proposals been modelled, particularly looking at cost consequences of lost revenue versus anticipated expansion of housing provision, or is it conceptual?

Mr BANYARD: I guess you would say they were conceptually rather than detailed studies, but there is a large amount of anecdotal evidence in place that certain things that are happening now are not working. Several of your presenters today raised comments about the lack of housing and that the housing quantities are going down. I think when I first got involved in this about 30-odd years ago, my recollection was that it was 138,000 houses by the housing department and I believe that figure is now 144,000. We have an awful lot of tenants who have not been able to get into Department of Housing property in that period of time, but their tenancies have been provided by private landlords, who have been out there in the marketplace building properties and setting up accommodation—everything from bedsits upwards—to match the needs of the potential tenants.

CHAIR: You are absolutely right. Even though New South Wales has a much larger number than any other State, it seems there will never be enough to meet the demand, so to speak.

Mr BANYARD: There is often talk about the long-term waiting list for social housing-type properties. I do not think any of our landlords or our real estate agents who work with us have 30-year waiting lists to provide a house to a tenant. Under most circumstances, within a few weeks people can be provided with a property that clearly matches their needs and is selected by them.

CHAIR: I understand some of the strengths associated with that model. I acknowledge your comment that private owners provide valuable dwellings for a whole range of people with social needs, some of whom are at the more vulnerable end of our community. Having said that, a lot of the people in social housing, as it is more commonly defined—which are the public, social and community housing providers—have special needs whether that is because of a disability or particularly because they are at the lower socio-economic end of our community, and the dynamic between them and the landlord requires a greater degree of sensitivity, on average, than you would need in the private sector.

Mr BANYARD: No. I suspect it is the other way round.

CHAIR: Let us explore that because the proposition I am putting to you is that perhaps greater sensitivity is needed for somebody in a wheelchair or somebody with a profound disability than somebody who is not, which is generally more the profile of public housing versus private housing, according to my proposition—which I am happy for you to challenge. Where I was going with this question is this: Do you think, given that extra need for sensitivity or skills in dealing with that relationship, there is a need for additional training over and above what the normal real estate agents or property tenancy manager would need in the private sector to operate in the social housing sector?

Mr BANYARD: Yes, it is a bit hard to give you a simple answer to a very complicated question. I will put it to you this way: I believe the Property Owners' Association does an exceptionally good job of providing a large quantity of housing for people with social issues or social problems—the social group. I suspect that the quantity of housing that is provided by the private rental sector, as I pointed out to you, would be a greater number of premises or dwellings than all of the rest of the housing sectors totally put together. We do not get a large number of complaints. Every now and then one of our members might appear on *60 Minutes* or one of those places, but there is always more to that story than meets the eye. We are handling some of the toughest tenants that there are out there. I have had properties that have had considerable numbers of prostitutes in them as well as drug addicts and those types of people and—how will I put it?—it was an amicable tenancy all round. Those tenants left my premises with me not unhappy, them not unhappy, and they got a roof that they would never ever have got otherwise—and not just once. A number of times I have done that over the years. Other landlords have done the same thing.

I am not going to sit here and say that every landlord is perfect but in the main the landlords work extremely hard to provide their tenancies. The landlords do not want an empty property, so if they start having disagreements with the tenant that is in the house because the social needs of the tenant are becoming the predominant factor and the tenant leaves the property, either voluntarily, physically or by some other means, that is not in the interests of the landlord at all because he is not making any money out of the property that is sitting there. Generally there are fairly large clean-up costs and tidy-up costs in preparation for the next tenants. The next tenant does not want to walk into a shambles that was left over from poor tenancy. The landlords are very sympathetic, from every observation that I have made over a very long period of time. They work very hard and are very compassionate to people.

Just to give you a final example, I think on *A Current Affair* the other night there was a tenant—one of those tenants from hell, if you like—who did all sorts of bad things to the property. The property that he occupied was a property basically given to him by another landlord because those same tenants trashed another house in the same street. That landlord was very compassionate, helped these people out, tried to give them a second start and he ended up wearing the problem too. But there was that landlord, and could you expect any more than that? I cannot imagine some of the other community housing people bending over to that point.

CHAIR: So you would say that private landlords manage those relationships better than do public housing or social housing providers?

Mr BANYARD: I am saying that the evidence that I have, or that I have put to you, is that we handle more of them than the others do put together. We seem to have fewer complaints than the other ones put together. I think the evidence is there. Perhaps there could be some research done into actually measuring it but, in the main, the social housing-type tenants that are in private properties are quite happy. They are generally there for life, too. They do not have the risk of being kicked out part-way through a tenancy.

CHAIR: Would you see private property owners as having a role from a government perspective in helping to broker or refer tenants to services that the Government provides outside, obviously, of a property management context—for example, in the social housing sector with wider social services?

Mr BANYARD: I understand your question.

CHAIR: How do you see those needs being met in terms of referral, if you follow your model?

Mr BANYARD: I understand your question and I am not sure if I am capable of answering it. I will have to discuss that with some of the other members of the board as to how we would actually go about doing that. One of the background things about the education for tenants before they enter a tenancy is that part of that education package, presumably, would cover how they get access to some of the other things. A lot of tenants do not want some of those extra services until they get to a certain point in their life, if you know what I mean. My next-door neighbour is a very old lady who lives in her house. She has fended for herself for years and years and years, but she is now calling upon a whole lot of social services to help her. She owns her house, but the same story applies to a tenant.

A tenant can be all fine with everything good and everything sweet for years and years and years, and it can be that they get old and they want a walker and they want a ramp to get up into the premises. All those things can be facilitated. There are also a lot of other social issues that can upset any house and divorce, separation and family fighting and squabbling, all those things, can totally turn the dynamics of a house around. They are things that have to be met at the time that issue comes up. In the case of domestic violence, the police frequently provide the parties with appropriate people to do things. Is it the landlord's role to come up with that, or other authorities' job to find out about it?

CHAIR: Sure.

Mr BANYARD: In the case of some of the social housing providers, remember that they get paid for a total package. That total package is to provide the social housing piece plus the house or plus the dwelling. Effectively the POA is only in the position of providing the dwelling to a tenant on an agreed amicable basis at the time the tenancy starts.

CHAIR: I understand that and I think some of the AHURI research and other research needs to better compartmentalise what value is created by different performance of services within that value chain and be able to benchmark better alternatives. That is part of what we are looking at. Mr Banyard, thank you very much for appearing today—for both the written submission of the Property Owners' Association NSW and your oral testimony. There may be additional questions that will be provided in writing, the replies to which would form part of your evidence and be made public. Would you be happy to provide a written reply to any further questions?

Mr BANYARD: Yes, no worries at all.

CHAIR: Thank you. I really appreciate your time today and your valuable input to our committee's proceedings.

Mr BANYARD: Thank you.

(The witness withdrew)

(Short adjournment)

SONIA ANN RHODES, public servant in Housing NSW,

LEONIE DONOHUE, private brokerage rental specialist and Public Service Association delegate in Housing NSW, and

MICHELLE BOGATYROV, Public Service Association Industrial Advocate, affirmed and examined:

CHAIR: Do you have any questions concerning the procedural information sent to you in relation to witnesses and the hearing process?

Ms RHODES: No.

Ms DONOHUE: No.

Ms BOGATYROV: No.

CHAIR: In what capacity do you appear before the Committee?

Ms RHODES: As a Public Service Association delegate.

Ms DONOHUE: As a Public Service Association delegate for Housing NSW.

Ms BOGATYROV: As a Public Service Association advocate.

CHAIR: Do you want to make an opening statement?

Ms BOGATYROV: I will make the opening statement. The position of the Public Service Association is that effective tenancy management services are dependent on having well trained staff that have a strong knowledge of and relationship with tenant communities. We are concerned that any decision to outsource these functions would have a significant destabilising effect on both tenants and the workforce. The association believes it is important that the views of our members, the employees who deliver the vast bulk of tenancy management services in New South Wales, are represented in this inquiry. We appear as representatives of the Public Service Association. Whilst our delegates are employees of Housing NSW, we wish to clarify that any statements given here are in the capacity as union delegates, not as employees of Housing NSW.

As stated in our submission, we support the role of community providers within the social housing system. However, we believe their role should be to expand access to housing and services, not to simply take over the management of stock and provision of services where they already exist. We think it is important that the Committee take a holistic view with regards to social housing.

Mr MICHAEL DALEY: Will you repeat the sentence where you said that the jobs of private housing providers should be to expand access to—

Ms BOGATYROV: As stated in our submission, we support the role of community providers within the social housing system. However, we believe their role should be to expand access to housing and services, not to simply take over the management of stock and provision of services where these already exist.

CHAIR: While I appreciate that there are concerns the Public Service Association might have in a more industrial sense, I am sure you also appreciate that the focus on our Committee is more on tenancy management. So the questions and discussion will be more geared towards that area, but I acknowledge that you have other interests as well. In your submission you mention several functions which Housing NSW is performing on behalf of community service providers which you describe as cost-shifting, including data entry, handling initial inquiries and processing difficult applications. How long have those arrangements been in place? Are they performed for all community providers or do community providers assume some responsibility for them over time?

Ms RHODES: Housing NSW shifted to what was known as Pathways, and that was a joint waiting list between all social housing providers across the State of New South Wales. That commenced in about April 2010, I believe. Housing NSW at this point in time processes in excess of 90 per cent of applications for

housing on the waiting lists. Of those received in a 12 months period, 90 per cent are processed by Housing NSW staff. The housing application list, the register, is available for all social housing providers to use and to draw from. Clients have an opportunity to determine whether they want to be considered for a community housing provider, public housing or a combination of both.

CHAIR: Some of the functions of Housing NSW—data entry, handling initial inquiries and processing difficult applications—are done across the sector. Has the cost of performing those services been quantified? If not, how could those costs be quantified in the context of where we are trying to compare like for like?

Ms RHODES: They have not been quantified in that sense. I will clarify that community housing providers actually do data entry processing as well; it is just that they do not do the amount that is representative of the numbers that they draw from. That is largely because Housing NSW is resourced to provide the bulk of those services. We do not have it driven down to a cost per processing for a client. It is something that we probably would be able to measure; it is just that at this point in time we do not actually have those measured.

CHAIR: Are you involved in the AHURI research project? Are you familiar with what I am talking about?

Ms BOGATYROV: There is a team based in the eastern suburbs that is, but that is not across the State. It is a particular team that is based out of the Maroubra office of Housing NSW.

Mr MICHAEL DALEY: It does a terrific job too.

Ms BOGATYROV: Thank you very much, Mr Daley.

CHAIR: Do you agree that there is a lack of concrete data at the moment in terms of cost measurement and the ability to assess value for money across the range of services and the range of providers in the industry?

Ms BOGATYROV: Yes.

Ms RHODES: Yes.

CHAIR: Do you agree that it is good for the Committee to head down a path of whether that is better measured, monitored and assessed in terms of what value is created at different points of the value chain? Is that a reasonable proposition?

Ms RHODES: Yes.

Ms BOGATYROV: Yes.

CHAIR: It is good that we are all heading in the same direction. The community housing providers cite in their submissions competition as a positive input to the provision of services to tenants. Your submission suggests that these services might be reduced by competition. Why is that so?

Ms RHODES: Community housing providers have the benefit of receiving Commonwealth Rental Assistance as part of their role. If you are in a competitive situation you are then putting those providers into a position where they need to look at producing a higher rental return as a way of measuring their cost effectiveness. When you are looking at a competitive basis in that sense you could have some clients disadvantaged where they do not represent a good rental return to a particular provider, such as a single person. A single person in a one-bedroom property is only going to give you the rent for a single person, 25 per cent of their income plus the Commonwealth Rental Assistance entitlement. Community housing providers would be better geared to make that offer of accommodation to a couple—a couple has a higher rental income and a higher component of the Commonwealth Rental Assistance that they have been in receipt of.

CHAIR: Do they have the choice of choosing the tenant?

Ms O'CONNOR: They do.

CHAIR: Would you explain those dynamics to the Committee because it has been presented to us that there is a waiting list and there is not a lot of discretion. Do you have a different perspective?

Ms RHODES: Housing NSW has a lot of governance and regulation over how it allocates; the same is not said for social housing providers. They do have an opportunity to bypass clients and make an allocation that would represent a better rental return.

CHAIR: Would you talk to that a little more? Earlier when the Committee heard from community service providers, in trying to compare apples with apples, it was suggested to them that they might have a more favourable or easier-to-manage clientele. They said that was not the case—they go down the waiting list—and suggested that there was not the opportunity to cherry pick in that sense. Would you speak to that a little bit better because I do not fully understand the dynamics as you are now presenting them?

Ms DONOHUE: The clients that apply for housing, as was stated before, do have an option to put in for either housing, community housing or both. A lot of the clients that are out there these days really do not understand how community housing works. I find myself always having to explain to them how community housing works. So a lot of them do not opt to go on for community housing for the wait list, so they are only on our general wait list. A lot of the people that are currently on the community housing wait list have already been earmarked, which means that the first few people on the waiting list have already got properties earmarked by Housing which will take 30 or 40 people off the waiting list. Then the community housing provider can go through the rest of the list to see who matches.

We have to match to properties that are appropriate for them. The community housing providers are able to bypass people on the waiting list to match them to suit the specific stock that they have. Community housing providers do not have the same stock as Housing holds. A lot of the stock that they were given was when we did the stimulus. So they have a lot of new stock, a lot of stock that would not be suitable for, say, a single person, as Sonia has said. They have a lot of two-bedroom, three-bedroom, that sort of stock.

Ms BOGATYROV: They also have a tendency when they are going through the list to look at the client's file —

Ms DONOHUE: The Trim.

Ms BOGATYROV: The Trim file, which is the database that we use between Housing and community housing to hold and store documents, applications and supporting evidence. They can go in and have a look at what particular supporting evidence has been provided to qualify them for social housing. If it is a little bit too hard or does not suit the kind of social sphere they want to create in a particular property, and if that person does not fit that bill—that person might have some antisocial behaviour or mental health issues—they can bypass that person and go to the next person that would suit their property.

Ms DONOHUE: And just go to the next person, yes.

Mr MICHAEL DALEY: You said they can do that; do they do that?

Ms RHODES: Yes.

Ms BOGATYROV: They do.

Ms DONOHUE: Yes, I have seen them do that.

Ms RHODES: The governance and regulation that exists on that waiting list is certainly one that is closely monitored by Housing NSW staff. I have not seen anything to demonstrate to me that that same level of scrutiny occurs for community housing providers.

CHAIR: In your submission you are basically saying that community services providers get superior housing stock and you retain more responsibility for more vulnerable or difficult tenants who, therefore, require greater support. To supplement your submission, can you provide more concrete evidence to support those propositions beyond what you have said because it is a bit "he said", "she said"?

Ms RHODES: The Nation Building Economic Stimulus Plan properties that were rolled out to community housing providers originally came from Housing NSW stock. What happened was a lot of those

were properties from which Housing NSW had relocated the tenants. It was the big old three-bedroom property on a quarter acre block. A few of those were decamped, properties knocked over and then we built some units—

Ms DONOHUE: Thirty-unit sites.

Ms RHODES: So the cost of relocating the tenants, going through that process of consultation, demolition, and then the zone planning groups coming together and actually building up the site to get the development application consent from council—those projects were then shelved for when we had an opportunity under our capital works program. Nation Building was rolled out and a lot of those shelf packages were taken off, developed and then the properties handed over straight away to community housing. We got a very minimal percentage of those properties back.

Straight away they are starting with brand new properties, and quite a number of them. Those brand new properties have the maintenance standards that we require today, the building standards of today, so they do not have things like asbestos, chipboard flooring, the breakdown of the wet seals in the showers and that sort of thing. They do not have those inherent maintenance liabilities that come with ageing stock. There are also properties that have been developed in areas where we did not have social housing issues, as such, and a lot larger estates. We were not going to put modelled properties back into large housing estates. So we do have those estates, and the social dysfunction that exists that is still predominantly within Housing NSW because community housing providers have not been given those properties.

Ms BOGATYROV: I suppose in answering your question, I would have to take it on notice and see if I can provide some evidence to support what we are saying.

CHAIR: In the absence of further concrete evidence, it is a little bit hearsay on both sides.

Mr GREG PIPER: I appreciate the work you do. It has been said earlier today that the vast majority of members have a lot to do with Housing NSW. It is not always as easy as we would have hoped. It is a difficult area in which to work. It is significant in Bolton Point and Toronto in my area of Lake Macquarie. I might add the new housing stock was not well accepted by council, when I was the mayor, as it was inappropriate and controversially carried out. However, it does have better outcomes as far as all of those issues associated with the old housing stock are concerned. Having said that, you would know the sorts of things that members of Parliament ring regional managers about, or frequently write to Ministers about. It is often about the lack of ability to get somebody into housing; while they might fit the criteria they have been told of a 10 year waiting list, which is a major issue. Will you speak to what Housing NSW can be doing to improve the situation? Obviously money can be thrown at it but leaving that aside, what can Housing NSW do better using the existing funds to get better outcomes for social housing in New South Wales?

Ms RHODES: We have been developing some policies over a period of time targeting tenure, particularly around the tenure where we now offer two, five and 10 year tenancies to all of our applicants. At the end of that tenure they have been reviewed and, subject to eligibility, they are either offered a further two, five or 10 year tenancy or we exit them into a private rental property through one of our private rental products. We might offer them some assistance with bond, rent in advance sort of thing to make sure they take them out. So that will start to generate. It is no longer housing for life. We will actually be able to generate some vacancies and turn over some of our stock. But that does not happen overnight. We have a lot of clients that have been housing with Housing NSW for a long period of time that are not subject to those 10-year reviews because they have been signed off prior to that legislation coming into play.

We look at other opportunities. Our private rental products themselves are a great opportunity for us to say, "You just need a little bit of help getting into the private rental market. You don't need the supports and services to keep you in a tenancy because you have that capacity to do that so here are some products we can offer to you." We do have clients where there is no opportunity for them to rent in the private rental market because of their current liquidity issues. They just will not have sustainable tenancies and they need a lot of wraparound services applying to them.

As part of our One FACS, our localisation and being part of the FACS network we have the capacity now to deliver a lot of our products and services at a lower level, with our district directors having far more authority and delegation to apply some local solutions, which will address the issues that we have in our specific area. We also have a head leasing program that we use to supplement our property stock for a period of time where we rent from the private sector and then sublet to our tenants at a discounted rate so that they will pay the

same. It is the same as being in a social housing property, but that gives us a lot more flexibility in our housing stock. That is where we can take from the private market, address some of the demand issues that might exist and then as we can exit people out through appropriate transitioning services, we can then hand that stock back.

Mr GREG PIPER: I ask about the provision of services. We have been talking a lot about people with disability, mental health problems and physical disability or maybe with ageing other problems such as social isolation. Housing NSW engages with other providers. One of the things I find most frustrating for people is responsibility for basic maintenance and you touched on it before when talking about problems with your ageing housing stock. Often it is to do with water, whether it is penetration through roofs, bathrooms, laundries or kitchens, and trying to get timely maintenance on these areas, which of course is outsourced but is an ongoing problem certainly in my area.

Ms RHODES: The Land and Housing Corporation is the arm of Housing NSW or FACS that is responsible for maintenance. They are currently under a restructure at this point in time. There is a new maintenance contract that is due to start shortly; I think it is next year.

Ms BOGATYROV: It is 21 July.

Ms RHODES: There will be significant changes to the way that they deliver maintenance. I believe it is still undergoing a tendering process at this point in time. It is part of FACS but it is a separate agency to Housing NSW so I am not privy to that level of detail.

Ms BOGATYROV: It has worsened since the split. The Land and Housing Corporation was one and in 2010 or 2011 the Government moved the Land and Housing Corporation to the Department of Finance and Services so we lost a huge amount of money. Housing NSW or the Land and Housing Corporation as a whole lost a huge amount of money in relation to maintenance and the provision of maintenance to the State's assets vis-a-vis the Department of Housing's properties. The Land and Housing Corporation in the last three to four months has come back into the FACS fold but a lot of damage has been done and the staff at Housing NSW have tried their best to explain that to tenants and been very forthcoming in that explanation as to why this all occurred.

Housing NSW staff's hands are tied because we cannot direct or request Land and Housing staff to raise orders. For example, Glebe is a perfect area where there are lots of tree roots, the same as virtually all around the State. Tree roots are intertwined in the plumbing and there are holes in the guttering and properties are damaged because of that water influx. We know what is going on; we feel for the client, our tenants, and we will do everything we can for them but we cannot direct Land and Housing staff to raise an order.

Mr GREG PIPER: Given that, I imagine that your front-line service people cop a lot of the heat?

Ms DONOHUE: They do, yes.

Mr GREG PIPER: They cop a lot of the aggression. They often go there and then come to the member's office, so we know that is happening.

CHAIR: And then you get the abuse.

Ms DONOHUE: Yes, they do actually.

Mr GREG PIPER: As Public Service Association representatives do you believe that the review that is bringing about these changes has appropriately consulted with the staff, the front-line troops if you like?

Ms BOGATYROV: No.

Ms DONOHUE: Definitely not.

Ms BOGATYROV: I will raise the issue of localisation, the restructure that happened in FACS and now from localisation it has gone to One FACS. There was very limited consultation with front-line staff—no consultation at all—and if the powers that be had given front-line staff the opportunity to speak, probably a lot of these things would not have occurred because we would have alerted the powers that be that this is what is going to happen; pre-empt things. There is never any consultation with staff.

Mr JOHN WILLIAMS: I note this is not part of your charter as a union but evidence from the Redfern Legal Service in particular is that staff turnover in the Department of Housing is horrendous, is that right?

Ms BOGATYROV: Yes, because there are so many temporary employees at Housing NSW. They do not backfill vacant positions. If somebody goes on leave they do not backfill and they are constantly getting people from agencies because staff are either being given the opportunity to develop their skills and go higher up the ranks or they do not come back.

Ms DONOHUE: At the moment we have in our casual staff agency staff that exceed 60 per cent of our workforce. That has a really bad impact on staff morale. I give an example of myself. I was a temporary staff member for seven years before I was made permanent. You would not work in the private sector for seven years before being made permanent. Also, I had been acting in a higher position for nine years. I was actually made permanent in a lower position while I was acting in a higher position so there is really no structure in regards to the workforce at all. I have a team of 15 and only three people in my team are permanent. The rest are all what we call section 27s and they have been in section 27s for over five years so they are not even permanent staff members.

Ms BOGATYROV: Redfern-Waterloo has a high turnover. The staff burn out.

Mr JOHN WILLIAMS: I can imagine that.

Ms BOGATYROV: They are not supported; they are not trained adequately in the first instance and they are trained on the run; on the hop, so to speak.

CHAIR: I will just try to bring that back to tenancy management services in social housing—and I am consciously letting it run because I know it is all interrelated and I do not want you to say that you have not had an opportunity to be consulted today—but can you outline the impact of that on tenancy management services and then maybe draw some comparisons, if applicable, with the community service provider environment and why they might be able to do better with tenancy management in some respects on those sorts of issues?

Ms BOGATYROV: Let us take Redfern-Waterloo as an example in relation to tenancy management. Some of the State's most complex vulnerable clients live in that particular estate. It is very difficult to build a rapport with those tenants. The tenancy manager starts building a rapport and then the tenancy manager gets chosen to go and do higher duties. The rapport with the client gets built but that tenancy manager does not come back and the next one comes along. Then that person is chosen for the development of skills and to go higher, and that is just what happens. Waterloo is the training ground for any client service officer in this State and basically if you get there you can skyrocket very quickly. It takes six to nine months and you are out of there and you will not be back.

Ms RHODES: It is also the property loadings. When you look at community housing providers—I think it was Southern Cross Community Housing; they have a caseload of 35 to 40. Client service officers within Housing NSW have a caseload of 10 times that amount. Our portfolios average between 350 and 450—

Ms BOGATYROV: Per person.

Ms RHODES: Per CSO, and then obviously you have people in those houses where it is mum, dad and the children and they might all have issues. The amount of intensive support that needs to go to each of those tenancies is just not physically possible to be done by one person, so you do have a high level of burnout. When the opportunity comes for you to be offered a higher duties opportunity, you jump ship.

Ms DONOHUE: As to some of the figures, I had a look at some of the submissions. Housing Alliance was 3,000 properties, Link Housing was 2,500 people—it did not give properties—the Housing Trust was 1,000 properties. Just from my area, which is south-western Sydney that covers Bankstown, Fairfield, Liverpool, Miller, Macquarie Fields, Airds and Macarthur, there are 22,221 properties. That is a massive difference in what they are looking after compared to what our Housing CSOs are looking after.

Ms BOGATYROV: And they do not have Treasury cutting their budgets every year either.

Ms DONOHUE: That is right. When I did it there were 450 properties in Airds; I do not know if you know Airds at all but it is not the nicest of places to be looking after. There was not a day that I had five minutes to myself. A lot of the CSOs are not having lunch breaks. They are not having the little portfolios that community housing providers have. I have looked at community housing as other employment opportunities and their workload is not even a quarter of what one CSO looks after in Housing.

CHAIR: So you would argue that we do not have the concrete data?

Ms DONOHUE: That is correct.

CHAIR: But when we do have the concrete data you would argue that you guys are more efficient and more effective than the community service providers; that is what I am hearing.

Ms DONOHUE: That is correct.

Ms BOGATYROV: Yes.

Ms DONOHUE: One person is getting paid what two people would get paid in community housing to do the same work and a lot more complex—so the larger portfolio sizes, they restrict CSOs in being able to maintain consistency in regards to tenancy management services. Community housing looks good on paper because they have a lower ratio. If we had a lower ratio we would look really good on paper too.

CHAIR: I know your submission touches on it and you are talking about industrial relations issues understandably because that is where you come from, but we need to focus on how improved staffing practices and reforms would support better tenancy management and what cost effectiveness and tenant support outcomes would be achieved as a result of changes to workplace-type reforms. If you have any suggestions that link directly back to tenancy management in the context of providing that other information, you can send that through but I need to bring you back to that focus.

Mr JOHN WILLIAMS: The other looming threat for the public entity is the surveys will be driven by the tenant so the outcome that your organisation produces as far as index of satisfaction versus those other agencies is concerned is definitely a tool that could result in decision-making in the future. Do you feel that is an issue for you, that that could determine where the Government might decide to go in the future with tenancy management?

Ms BOGATYROV: Yes.

Ms DONOHUE: A lot of tenants are not really happy with Housing for various reasons—an obvious reason is maintenance, which we have no control over whatsoever. We have people who have lived in their houses for 40 or 50 years; I have relocated clients who have lived in their houses for 40 or 50 years. When we do not have the budget to fix it they are going to be very dissatisfied with that but the majority of the other services that Housing does provide very good outcomes for tenancy management and clients that really cannot be given in the private sector.

Ms BOGATYROV: A client service officer becomes your social worker, your confidant, your financial adviser. How do we make sure that you can pay your rent, how do we put in this system, how do we make sure you go to your community mental health provider and try to get your drug and alcohol counsellor to talk to your mental health provider because they are not talking? They become the medium. They are their caseworker.

CHAIR: Is that appropriate or should there be more of a distinction between that—

Ms BOGATYROV: That is what Housing NSW provides. That is what they are supposed to provide.

Ms DONOHUE: It is what we have always done.

Ms RHODES: It is just that we cannot provide it in the numbers that are expected.

CHAIR: Are those other parts of government too reliant, perhaps, on housing officers to provide broader social services?

Ms BOGATYROV: Probably, yes.

CHAIR: Irrespective of the answer, how do you better measure what value is being created or what services are being provided so that you can compare apples with apples?

Ms RHODES: Part of the issue is the jurisdiction. As client service officers, we have very strict legislation that we can operate within. The mental health providers are the ones who can take action under the Mental Health Act. Housing NSW cannot take action under the Mental Health Act. It is a matter of actually communicating that with our community partners about what it is that we can and cannot do in terms of legislation but also in terms of people power as well. If we have a tenancy that leads to an eviction, that is seen as a failure. Our client service officers take that on personally. That is the last result they want. Sometimes it is the case that we need to have a tenancy fail in order to be able to elicit those other agencies to respond to the client's needs, because sometimes it is not until the tenancy fails that the other partner agencies might become involved.

CHAIR: Why?

Ms RHODES: Sometimes that is the way that that client will become a priority on their books and through their processes. Whilst ever they are seen as being a housing tenant, they are seen as having an appropriate support, which is not always the case. They have a roof over their head and our staff will do their hardest to get them into the supports that they need, but it relies on the client wanting to engage and it also relies on the other services with some capacity to deliver as well.

CHAIR: Ms Bogatyrov, so far as the information you are providing, we have a question regarding some new technologies that might also facilitate productivity gains. We understand Housing NSW might be looking at new technologies that might have some positive effect. If they are not, you might think about that in the context of other suggestions which, again, result in better productivity or outcomes for tenant support or the tenancy-management relationship.

Ms BOGATYROV: Yes.

Mr MICHAEL DALEY: The Select Committee on Social, Public and Affordable Housing delivered their report today. I have had a quick look at it. Recommendation 21 states:

That the NSW Government expedite the transfer of public housing properties to community housing providers via long term leases to:

- ensure future growth in the supply of social and affordable housing
- promote the expansion of 'wrap around' services.

That the NSW Government also review the target that the community housing sector comprise at least 35 per cent of all social housing and assess the performance of property title transfers and leveraging."

Now that we are armed with a recommendation from another committee, would you take on notice in your response any caveats, warnings or wisdom you would like to impart to this Committee in case somebody wants to recommend something that is to come out of this Committee or if there is something you would like this Committee to be aware of if that is going to become Government policy?

CHAIR: We are happy to receive that on notice, although I note that is not strictly within our terms of reference.

Mr MICHAEL DALEY: I have been around for a long time.

Ms BOGATYROV: Yes, you have.

CHAIR: This Committee does not have any preset agendas. We will look with interest at what the Upper House has suggested. I thank you all for appearing before the Public Accounts Committee. In addition to those areas that we have already identified, the Committee may send you some additional questions in writing, the replies to which will form part of your evidence and be made public. Will you be happy to provide a written reply to any further questions?

Ms BOGATYROV: Yes.

CHAIR: Thank you. We appreciate you appearing before the Committee today. Thank you for your written submission. We will be hearing from Housing NSW next week, along with some of the researchers and those involved with the Australian Housing Urban Research Institute research, which will be a key component of any direction going forward. I think that will be a recommendation of this Committee, without foreshadowing what the deliberations might be.

Mr MICHAEL DALEY: Thank you very much for the work you do on behalf of the people whom we represent. We greatly appreciate it.

CHAIR: Yes, I endorse that comment.

(The witnesses withdrew)

KATE O'CONNOR, Acting Manager, City Business and Safety, City of Sydney,

DOMINIC GRENOT, Safe City Project Manager, City of Sydney, and

LISA SIMONE, Safe City Manager, City of Sydney, affirmed and examined:

CHAIR: I thank you for appearing before the Public Accounts Committee today. Before we proceed, do you have any questions concerning procedural information or other processes or information that was sent to you before today's hearing?

Mr GRENOT: No.

CHAIR: Would any or all of you like to make an opening statement or comments?

Mr GRENOT: Thank you again for the opportunity to appear. The submission, obviously, could be a lot longer in terms of the amount of issues you are seeking information on. Our submission covers the critical areas we see from a local government perspective working with State government authorities on the issue of managing social housing communities and, in our case, concentrated communities, which are different to many other areas around the State. As the submission says, we are pretty keen to include public housing communities and public housing individuals and tenancies as residents within the local government area and not have that distinction, which has historically often been stigmatising and quite dehumanising in some cases. Certainly, the City of Sydney is to make those communities a lot more inclusive with the broader community. We do what we can—work with Housing NSW, the Land and Housing Corporation and other State government bodies—to make that possible.

CHAIR: What is your mix of Housing NSW versus community service providers in the City of Sydney?

Mr GRENOT: That is a great question. We do not have the current numbers but it is something like 8,400 State government owned and managed properties for Housing NSW, and about 1,100, community housing providers—predominantly four or five providers.

CHAIR: Tell us a little more about your experience of tenancy management delivery by the community not-for-profit sector and how it compares with Housing NSW and potentially the private sector. In that context, I might then ask whether you would recommend an expansion of the community housing sector, as Mr Daley has opened Pandora's box.

Mr MICHAEL DALEY: It was opened this morning by witnesses who told us how good they were.

CHAIR: And, if so, on what basis.

Mr GRENOT: Community housing providers within the City of Sydney Local Government Association are a fairly new phenomena. When I say that, I am talking only for a couple of years if you exclude, of course, Sydney west, which was predominantly an affordable housing provider to start with and has since become a registered community house provider, and the portfolio amongst most community housing providers is quite small still. The City of Sydney's experience with those providers is that we see them very much as part of the community, obviously. They have small stock, small portfolios, often quite centralised, so there are individual providers. For example, we have some stock in Redfern and Waterloo, others in Pyrmont and Ultimo. I think it is probably too early to tell in terms of long-term sustainability, whether that is possible, both in terms of maintenance and the stock itself and also tenancy management services. I think they are doing okay to start with; it is early years.

CHAIR: If you had to compare them with Housing NSW and the private sector—private landlords—how would you compare them? I know it is probably anecdotal.

Mr GRENOT: It was fascinating to hear the previous people talk about the size of stock and the concentrated stock is a real challenge for Housing NSW staff. We also have, within the Local Government Association, about half of the high-rise dwellings within the State—obviously high-rise and low-rise together. Redfern and Waterloo were mentioned, which is the largest concentration of public housing in the country.

Those challenges are really not going to go away quickly. We heard previously—and there is mention in our submission—about turnover of staff and skill levels of staff of course against the changing demographic of who is being housed within housing, which has changed dramatically over the past decade.

In terms of private providers, we did some quick sums and it would seem to me that the private sector or a community housing provider could not do it cheaper. We mention some statistics in the summary. I think it is a little bit like comparing apples and oranges in some ways. Certainly City West, as an affordable provider and a community provider, has managed that pretty well over the years—although, again, their portfolio of properties is quite small, but it is growing.

CHAIR: What evidence is there of the success of tenant participation and engagement through the provision of local facilities or tenant associations? Who bears the cost of community services? Is it council, the housing provider or State agencies?

Mr GRENOT: As per the submission, it is my view that the combination of those things together is what works best. I think a mixture of stuff. Obviously Housing NSW has a range of programs existing such as the tenant participation research service, the Community Housing Assistance Program. There are also other funded programs within Family and Community Services and from Ageing, Disability and Home Care and community services that provide funding to local non-government organisations and community housing providers to do particular tasks. Tenant participation, I think, has grown, certainly in the time that I have been at the City of Sydney in the past seven years. It is an area of particular interest and challenge for us, because we firmly believe if we can create some capacity building, some ownership and some responsibility within those communities and some connection to the broader community, then that lessens the dramas and therefore lessens the cost.

CHAIR: What models of community engagement or tenancy participation does the City of Sydney particularly employ? Can you share with the Committee any experience of where the council is generally recognised as being innovative and different and wanting to lead the way? Are you aware of any of those models or activities being adopted in other local government areas?

Mr GRENOT: The City of Sydney is doing a range of things and not long ago they were spread throughout the State. Neighbourhood advisory boards involve local government authorities, State Government bodies and tenant representatives coming together to discuss particular issues in a particular geographic space. I understand that not many of them are left in the State, but the City of Sydney still has six. They involve regular meetings with a range of service providers, tenant representatives and traditionally Housing NSW, NSW Health, the NSW Police Force and others as required, and the City of Sydney. There are regular meetings designed to empower tenants, to work through problems, to deal with management issues, to arrange events, and to look at how we can work collectively to solve issues in an estate. That seems to have worked pretty well at different times.

Partly because we are fairly well resourced, we also fund and run our own events within public housing communities. There is a range of events like that. Some of those events work to encourage public housing tenants to become skilled up in different capacities in terms of event organisation. However, by and large they also encourage the mix between public housing tenants and non-public housing tenants in those various communities. One of the weird ways in which that is happening very well involves companion animals. Housing NSW leases allow people to have all sorts of companion animals. The City of Sydney, as the local government authority, is obviously responsible for the Companion Animals Act. We have created a range of events designed to encourage dog and cats owners to come together for training and for information about desexing and a range of other things. That has created some links and broken down some of the issues that we are trying to deal with in terms of companion animals.

CHAIR: You have community wellbeing strategies rather than a strict case management approach.

Mr GRENOT: Yes.

CHAIR: Does that deliver better outcomes? If so, how do we measure the performance of that model or compare the two?

Mr GRENOT: That is a great question. We are in the process of writing a new safety strategy and underneath that a wellbeing and safety plan targeted at public housing residents in the city. We conducted a

range of workshops, questionnaires and surveys last year. They told us that wellbeing is the biggest issue for them, and from that come safety and obviously amenity and other things. We hold the view that if people know each other it creates trust and breaks down stigma and suspicion. I am talking about that within a localised context. Safety and involvement, or whatever else it might be within your local community or more broadly, is a result of being well.

I am sure that the Committee has heard a lot about mental health, which is a significant issue for us in the inner city. We also have significant issues about ageing in place, especially in high-rise buildings and some of the older housing stock. It is about getting older people out of their places and engaging with other older people, getting them to go on bus trips and to activity centres, getting them involved in education and leisure activities and so on. We try to get them out of their place so that they are less isolated and have more of a chance to connect with the broader community and therefore to participate and engage in life and go from there.

CHAIR: I understand the value of all that. However, this Committee is looking ultimately to making some recommendations that hopefully lead to better identification of what is being delivered, what it is costing and the effectiveness or efficiency of those measures and initiatives. It is difficult to measure the performance of that sort of model, including the outputs and concrete deliverables.

Mr GRENOT: Yes.

CHAIR: How do you do that?

Mr GRENOT: One of the measures we use is a reduction in particular crime categories within and around those estates.

Ms O'CONNOR: And perception of safety as well.

Mr GRENOT: Yes, that is another issue that is obviously a bit tricky to measure. That is a key issue. We obviously also record the number of people who engage in the activities we provide, both on Housing land and on nearby land.

Dr SIMONE: We have worked with the Australian Institute of Criminology to develop a program logic. In regard to a performance management framework, with the action plan we have a commitment to do an annual review so that at the end of three years we should be able to measure whether we are effective. That is about how many resources are invested where and why and why we are targeting particular programs. That is the cost-benefit analysis if you look at what we are investing and how we are doing it. That is the rationale behind it.

Mr GREG PIPER: Very few local government authorities have the resources to do the work that the City of Sydney is doing. I applaud the City of Sydney because it does a lot of work that assists other local government areas—the knowledge is transferred, sometimes indirectly. The council can do that and I am pleased that it does. You have spoken about extensive engagement, including with the Australian Institute of Criminology. I am very impressed with the breadth of the involvement that you have had in this area. As I said, most councils would not or could not do it. You have a need, and that is recognised. How do you engage with tenants, the police and other agencies in developing your plans? How is this brought together? Much of what you are doing in other areas would be seen as a State Government responsibility. It obviously does not exist, so you are doing it. How do you engage and how broadly do you engage with the local community?

Mr GRENOT: That is a great question. I was with Housing NSW for 10 years prior to joining the council, so I have a lot of connections in the inner city in terms of housing. We as the City of Sydney are certainly involved in regular meetings involving tenants directly and we have a number of events on our land involving tenants. We regularly deal with six area local commands and two district health services involving general health and mental health. We have a number of working groups dealing with different issues.

Ms O'CONNOR: We have also had a memorandum of understanding with Housing NSW for a number of years. Very senior staff at the council and at Housing NSW will meet on a regular basis. That is where we as staff can escalate issues that we need to address. There is that interaction as well. However, I return to Mr Grenot's point. When we were developing the Safe City Strategy we went out to the community and asked how people felt about safety and crime. The Housing NSW tenants responded very strongly. The graphs indicate that they are more fearful of crime, actual and perceived, than our residents. So we must try to close that gap.

The police are great partners because they are also interested in ensuring that the communities they serve feel safe and are safe. The work we have done surveying residents has allowed us to go to the police and say that we now need to work with them on these communities, almost more so than we do with our non-housing population. That is what the evidence is telling us. That has been a really great piece of research that we have done to allow us to engage. That is not to say that we were not engaging before, but we have that evidence now. It has been very effective.

Dr SIMONE: Another point is that Mr Grenot is a dedicated social housing project manager. In terms of having a city resource, he is a direct liaison point for tenants in Housing NSW properties. That has been a great way to facilitate good working relationships with our stakeholders.

Ms O'CONNOR: We share a lot of the work that we have done with other local government authorities and beyond. We are working at the moment with the Department of Attorney General and Justice on a wider perception of safety. It is fairly inexpensive to do surveys. We employed students who did face-to-face surveys. We can definitely share that information and we do when the opportunity arises. That provides very detailed information that we can then use to develop the programs and assess how they are tracking.

Mr GREG PIPER: I imagine that your primary focus is on the public domain areas. You referred to "safety by design".

Dr SIMONE: That was the Crime Prevention Through Environmental Design [CPTED] strategy.

Mr GREG PIPER: That is right. I should know that because I have dealt with it for years. You are raising tenants' frustration about maintenance, but that is not your responsibility.

Mr GRENOT: No.

Mr GREG PIPER: But you are exposed to it. You have identified it as a big problem. Would you like to say more about how you have identified that as a problem?

Mr GRENOT: In terms of the estates or the concentrations of housing within our local government area, obviously they connect with council land—footpaths, streets and parks. Over the past five years we have done many safety audits, both in the estates and in the surrounding areas, with Housing NSW, the police and Land and Housing Corporation staff and tenants to identify a range of issues. We can assist with some of those issues, including providing lighting expertise, and dealing with graffiti. The city seems to be really good at resolving those issues. We also deal with tree pruning and tree management, pathways, way-finding and so on.

It is often not only about the estate but also about the pathways to the shopping centre, to the bank, to the leisure centre, to public transport and so on. Those safety audits have been done collectively and they have been empowering for tenants around lobbying to get things done either by the council, the Land and Housing Corporation or Housing NSW. It is about physical amenity, redesign or changes that need to happen to ensure that places are utilised more often or that they are safer. It is also about socially empowering people to leave their apartment, to get on a bus, to walk to the local community centre and to join a group because they are feeling a little safer. Many partnerships like that have been really productive.

Mr JOHN WILLIAMS: This is probably not directly related to our inquiry, but it is interesting to have an opinion about the City of Sydney in relation to long-term planning for public housing. I refer to the sale of Millers Point housing. Obviously the value of some of those assets is improving considerably for Housing NSW. There is an opportunity to relocate and to get more bang for its buck. How do you see the landscape 25 years from now?

Mr GRENOT: I will be retired by then. The City of Sydney's 2030 Vision states a very strong commitment to ensuring that we retain as much public housing as possible and that we grow the affordable housing sector. We very much believe that a diverse social mix within the inner city and our local government area drives a healthier city.

Mr JOHN WILLIAMS: Obviously you support public housing going forward.

Mr GRENOT: Absolutely.

CHAIR: Do you want to talk about some of the advantages of the mixed tenure renewal modelling? Where is it employed and what are the results? In particular, can you address whether it has resulted in a loss of social housing stock?

Mr GRENOT: Australia-wide there are examples of that. I think we are in the quite early stages given some stuff that has happened around the world. I guess there is a difference between an existing social mix and creating a new social mix. If one looked at areas within our own local government area [LGA], one could argue that Glebe and Woollahooloo are quite diversified, perhaps Surry Hills as well, and Erskineville to a degree. The benefits for me when there is no real differentiation between owners and renters or public and private and there is a connectedness to both the existing community and the broader community in terms of access to services and a whole range of things, are that that seems to be when there is less crime, when people feel safer, when their perceptions are not as negative, and people can access a range of services for their benefit.

CHAIR: Do you think there is a risk of fewer services being available to people who are not in social housing?

Mr GRENOT: Yes.

CHAIR: They might be on a waiting list. If social housing is a conduit to other services, which we have heard today it is in many cases—

Mr GRENOT: Yes.

CHAIR: —is there unfair discrimination against people who are not in social housing but who have real needs?

Mr GRENOT: Certainly services that the city runs are open to every resident, so again we try not to differentiate between those and obviously there are some issues around pricing for us.

CHAIR: From a New South Wales Government perspective? We will not put the City of Sydney on trial.

Mr GRENOT: I need to think about that. That is a good question.

CHAIR: If you want to take it on notice that would be great.

Mr GRENOT: Absolutely.

CHAIR: I touch on another recommendation you have made for better staff recruitment practices for Housing NSW. What evidence is there for current staff practices having a negative impact on social housing outcomes?

Mr GRENOT: Again I am sure you have heard it a number of times today, and you certainly heard it from the previous speakers, but I think the turnover of staff is a huge one. The skill levels of staff in addressing local issues, because of that turnover of staff and employment of backpackers and others historically over the last few years in particular, has been a real issue. I think also there is a culture of doing—and we talk a little bit about this in the report around place management—the work from the office in terms of visibility and accessibility of housing staff in the community. I am not sure if anyone has talked today about client service visits, for example—the local team being out in the community and checking in on people, ascertaining what is going on in that particular block, in that particular building with a particular tenant and what support they might need, making the appropriate referrals. I think all of that has certainly diminished over the last five years and I think that is a recruitment, training and ongoing support issue.

CHAIR: Are there any comments or other areas you want to highlight that you have not had the opportunity to do so before we close?

Mr GRENOT: I do not think so.

CHAIR: In addition to that area we just identified for taking on notice, there may be other questions that the Committee might send you in writing the replies to which would form part of your evidence and be made public. Would you be happy to provide a written reply to those?

Mr GRENOT: Absolutely.

CHAIR: Thank you for your written submission, for your insightful comments and the further input that you will have. To echo Mr Piper's comments, it is good to see that the City of Sydney does try a few different things. I note there are tenant management organisations in England, which are tenant-led organisations that provide housing management services to their own communities on behalf of the landlord. While I do not think we have followed that model here, some of the things you are doing are heading more in that direction. I do not know if you have looked at that model?

Mr GRENOT: No, but I will.

CHAIR: I am getting it into *Hansard* by referring to it now. It may be something that we mention in the report in the context of a whole lot of other potential models that we have looked at today. On that note I again thank you.

(The witnesses withdrew)

(The Committee adjourned at 4.35 p.m.)
