

**Submission
No 120**

INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING

Organisation: Hume Community Housing

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Inquiry into Social, Public
& Affordable Housing

HUME COMMUNITY HOUSING ASSOCIATION COMPANY LTD



Australia is experiencing a housing affordability crisis leading to serious housing stress for many households, particularly for those on low and moderate incomes. High cost of housing is felt more acutely by these groups. Across Australia, there are over 1 million households living in housing stress. Housing stress is particularly evident in NSW where the proportion of low income private tenants in housing stress is likely to exceed 55 per cent.

There is ample evidence that low income households in NSW are finding it increasingly difficult to secure rental housing that is affordable, secure and appropriate to their needs. This in turn limits their ability to obtain and retain paid employment, access education and training, and build a better life for themselves and their dependents.

Public housing provides subsidised housing for those on very low and low incomes. However in July 2013 the NSW Auditor General released a comprehensive report on the state of public housing in NSW. It found that:

- The shortfall between supply and demand was increasing;
- Public housing stock is ageing and increasingly not fit for purpose;
- Insufficient funding is available for necessary maintenance; and
- Houses are being sold to meet recurrent funding shortfalls.

We need new business models for the delivery of social and affordable housing, which do not reproduce the situation facing public housing. Community housing providers, such as Hume Housing, are sustainable businesses, with income sources including rent, subsidies and fees for service. The industry's competitive advantage over other housing providers is based on:

- Its capacity to leverage its asset base to attract private finance
- Its access to the National Rental Affordability Scheme for delivering new dwellings for moderate income earners
- Its ability to draw on Commonwealth Rent Assistance which averages \$3,000 per tenant per year
- Its capacity to develop flexible policies to meet local needs and tenants' individual, changing circumstances

- Its tax status, including GST, land tax and stamp duty exemptions
- Its capacity to work with developers and local government to deliver affordable housing through the planning system.

About Hume

Hume Housing is a long-established community housing provider, with a record of delivering excellent customer service, to a diverse group of tenants and stakeholders in Western and South Western Sydney.

Hume Housing's vision is:

"To create vibrant, sustainable and cohesive communities through the delivery of outstanding homes and equitable services"

This vision is reflected in Hume Housing's objectives, reporting frameworks and organisational culture.

Founded in 1994 as a not-for-profit company, limited by guarantee, Hume is a registered Class 1 Community Housing Provider. With its predecessor organisations; Fairfield Rental Housing Company Ltd and Liverpool Rental Housing Company Ltd, founded in 1987, Hume has over 27 years' experience in the of property and tenancy management and associated services. In this time Hume Housing has established itself as a leader within the Australian Community Housing sector, committed to the growth of the sector and to the implementation of international best practice service and governance models.

Hume Housing's property portfolio has grown from 125 properties in Fairfield and Liverpool in 1994 to today's 1,686 dwellings spread over seven LGA's. The asset portfolio ranges from high density blocks, medium density Residential Flat Buildings, low density housing estates and salt and peppered dwellings.

Hume Housing offers a wide spectrum of housing and community assistance, including temporary and transitional accommodation, general social and affordable housing, senior's communities and specialised supported housing options. In time, Hume will also offer low cost home ownership and shared equity ownership opportunities to eligible customers.

Hume's broad range of tenure opportunities and programs, are aligned with its strategic plans guiding principles. (Attachment 1)

Hume Housing has established a corporate governance framework that provides for the effective, sustainable, accountable operations and continuous improvement of the organisation. Hume Housing's Board structure and composition reflect good governance practice. It is governed by an independent skills based Board consisting of nine directors plus Board Patron who have an experience and skillset appropriate to the scale and scope of the business now, and its planned growth. As a not-for-profit company working to achieve positive social outcomes, Hume Housing is committed to optimising the use and impact of its resources. To this end the leadership of Hume Housing has actively embedded a Value for Money culture across the organisation

Successful Outcomes

Successful outcomes in community housing depend on broader programs and opportunities targeting the needs of individual customers as well as targeting their communities in a holistic manner.

Furthermore, from Hume's perspective social and community development is not a quick fix intervention. Working to address the complex challenges that often face Hume's target customers and communities involves a long term and steady commitment.

Hume believes its Place Management and Housing Plus approach has been key to its success. The aim of this approach is to advance the economic, social and environmental sustainability of the communities within which it operates. The provision of quality homes and excellent housing management services has been essential to Hume's success in achieving this aim and this has only been achieved as a result of Hume's commitment to in-depth and ongoing consultation with our customers.

Today, Hume is a modern social enterprise. Its professional management, capacity to leverage its assets and grow and its optimal use of resources enable it to invest resources into the communities it operates within, in order to address underlying challenges associated with achieving positive social outcomes

Hume works to deliver innovative practices and drive positive social change through evidenced based strategic planning and resource allocation, advocacy and strong leadership and sector leading property and tenancy management services. Formally and informally, Hume connects with local services to achieve the greatest impact for customers, the sector and for the community as a whole.

One such innovative practice is Hume's provision of a rapid rehousing service through its Temporary Accommodation Program (TAP). The TAP operates in Fairfield, Liverpool and Campbelltown through a partnership with the South West Sydney Area of Housing NSW. Under the TAP, Housing NSW has allocated 35 public housing properties which are hard to let to the program. These properties (rather than motels or caravan parks) are used to house customers in need of rapid rehousing. Hume provides tenancy services as well as intensive support management, to find more permanent accommodation and to link customers to services they need.

This model provides cost effective, fully furnished accommodation for Homeless singles, couples and families, reducing Housing NSW's use of motels for crisis accommodation. Hume conducted a review of the program which demonstrated that in 2011/12 TAP saved Housing NSW over \$600,000 in crisis accommodation costs as motels are between 54% and 367% more expensive than TAP. This was in addition to providing a far more appropriate setting, to assess and address customer's capacity to obtain a sustainable tenancy. (Attachment 2 case studies)

Increasing Housing Supply

Western and South Western Sydney are areas of strategic importance for Hume's growing scale and particularly its opportunity to expand the base of owned assets through vesting of 152 properties in Telopea. This provides the organisation the assets and certainty it requires to commit to the further investing of resources into communities and providing a broad range of services and activities to build sustainable tenancies and communities. This investment into a broad package of tenant and community development services has enhanced Hume's outcomes and in turn, has led to further growth and success.

Hume has a development pipe line of up to 200 properties to be delivered by June 2016. These properties will be Hume owned and managed, with at least 68 of the properties being social

housing directly allocated from the Common Housing register. A proportion of these will be developed in partnership with Marist Youth Care and their Affordable Housing for Life program. Hume is also delivering on its 512 NRI's which will be Affordable Housing and predominantly delivered through a mixture of owned and Fee for Service partnerships with developers. Hume has recently procured a \$30m, 20 year, corporate debt facility which is supporting its growth in supply of social and affordable housing.

Hume's contribution to an increase in housing supply is planned, measured, and tangible.

Recommendations

Our organisation is supporting the proposals that have been put to the NSW Government by NCOSS, specifically its request for a formal four year plan with numerical targets to increase the supply of social and affordable housing in NSW, to encourage investment in innovative housing responses by community housing providers, and to recognise social housing as an important part of the Government's infrastructure agenda.

Hume is also firmly supporting the recommendations and proposals made in the NSW Federation of Community Housing Associations submission to this enquiry.

Actions such as these would materially assist in meeting your Government's NSW2021 goal of better protecting the most vulnerable and breaking the cycle of disadvantage.



Attachment 1

Our guiding principles along with our Vision and Values underpin our thinking and approach for the development of this strategic direction and priorities of Hume Housing.

Housing Continuum	A broad range of accommodation choices are available that enhance life by creating a housing continuum which ensures access to appropriate accommodation for every stage of life's journey
Housing Plus	Our programs provide housing plus support to create betterment in the lives of our Customers, through partnership programs; education and training opportunities creating and engendering a concept of choice to enable our Customers achieve their full potential. We will grow our partnerships and service delivery targeting prevention of homelessness and early intervention programs
Valued Customers	We value our Customers and we demonstrate this through the adoption and adherence to social justice principles of equity, access, involvement and rights for all individuals especially in the minority and vulnerable. Regardless of the activity in question, the focus will be on the Customer's perspective and the outcomes for them, where our valued Customer's views and opinions are listened to and acknowledged, customising services to each individual and engaging them to advise us what it is that they need
Community Anchor	We are a community anchor , promoting a village approach to community living, building self-sufficiency and providing incentives, work & training to enhance community wealth. Providing opportunity to communities for self-empowerment, facilitating the bringing together of individuals, groups, support services, agencies and businesses. Basing decisions that impact our community, our service delivery and our organisation on sound research and evidence and a solid understanding of who our communities are, what they want, need aspire to and expect from Hume
Value for Money	We commit to creating sustainability of Hume using a value for money approach, an organisation that is professional, properly supported and efficiently run. Where the growth in resources is proportionate to the growth in service delivery and the demand for service improvement. Where procurement decisions are effective and transparent. Where the financial sustainability of the organisation is managed at every level. We will proactively manage and mitigate risks, through a structured risk and proactive risk management system.



Attachment 2

Case Study 1 – TAP, A Rapid Rehousing Model

Mr. Manuelle is a 50 year old who was living on the streets of Fairfield for over 8 years. Before he became homeless he had a job and lived in the same rented property for over 20 years. Due to unfortunate circumstances he lost his job and his home and ended up living on the street.

The customer is a very proud man and didn't seek any help. His health deteriorated because of his rough sleeping and he ended up with complex health problems which affected his legs, heart and overall wellbeing.

The customer ended up in hospital but was discharged back into homelessness until HNSW stepped in and contacted Hume Housing. Both organisations accepted this customer in the Temporary Accommodation Project (TAP).

The customer is now in the process of being housed through priority access, he has supports in place to help him with his everyday living, from the first day he presented to HNSW till now he is a different man, looking healthier, taking pride in his surroundings and for the first time in 8 years has a warm bed to go to at night, his future is so much brighter.

“My life changed dramatically since I left the streets, it's improving day by day. Since I got help I have started to heal my body and my mind is relieved. Thank you Hume.” – Mr. Manuelle

Case Study 2 – Working in Partnership

A young father (aged 25) of three children all under five was living with the mother of the children in the private rental market. After it was discovered he had a brain tumor he lost his job and his driver's license and subsequently had a breakdown which involved drug and alcohol use. Due to this his relationship with the mother broke down and the mother moved to Queensland with the children while the client entered rehabilitation.

On exiting rehabilitation the customer moved in with his father however not long after the mother of his children advised that she was unable to deal with being a full time carer for the children and



the customer became the main carer and moved with them into his mother's house. The customer's mother was dealing with her own drug and alcohol issues and the client contacted Red Cross for assistance.

Red Cross assisted the customer with accommodation through nominating him for a place in Hume's Supported Partnerships Program where he has been living since March 2013. The customer has a five year plan in which he hopes to open his own business.

