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**ACT Government Submission to the Standing
Committee on Health and Community Services Inquiry
into the Provision of Social Housing**

ACT GOVERNMENT SUBMISSION TO THE STANDING COMMITTEE ON HEALTH AND COMMUNITY SERVICES INQUIRY INTO THE PROVISION OF SOCIAL HOUSING

Background – An Overview of Housing Issues in the ACT

Declining housing affordability is a complex national issue which has escalated over time, but particularly over the last 10 years.

Many statistical and financial indices show that buying a home in the ACT is still affordable for the majority of Canberrans, given the ACT's high median household income. However this remains difficult for many low to moderate income Canberrans, placing greater pressure on the private rental market.

Unlike large metropolitan cities, Canberra does not have a historical low cost rental market of any scale, in terms of property size, location and amenity. The ACT has retained a higher than average proportion of public housing stock than other jurisdictions over time.

The ACT's high median household income also means the rental market predominantly provides housing for medium income individuals and families. However, median rental costs in the ACT means households on low to middle incomes in the private rental market also face the highest levels of housing stress.

The primary program response to housing affordability, Commonwealth Rent Assistance (CRA), is a payment supplement to the private rental costs for people on low fixed incomes, regardless of their housing costs or location. Its effectiveness in alleviating private rental stress for people on low income in the ACT is affected by overall rental costs.

The role of ACT public housing has changed over time through increased targeting to those most in need. Affordability is now no longer the key driver of eligibility for public housing and is considered in conjunction with one or more of the following issues:

- (a) homelessness;
- (b) mental health or medical issues;
- (c) disability, including frail-aged carers;
- (d) women and children escaping domestic violence;
- (e) indigenous people facing complex issues and private rental market discrimination or exclusion; and
- (f) children at risk, including their parents and carers.

These risk factors were informed by an analysis of the circumstances of existing housing applicants, which identified the people with the highest needs experienced multiple and complex issues.

Housing ACT's role in the housing continuum is as the post crisis accommodation provider for people in greatest need who have moved through the homelessness service system, but it is not – and cannot be – the sole response to broader issues of housing affordability.

Strategies to address these issues in the ACT are identified in both the *National Affordable Housing Agreement (NAHA)* and the *ACT Affordable Housing Action Plan*.

The Social Housing Policy Context

The NAHA affirms the agreement of all Australian Governments to ensure that:

- 1) people who are homeless or at risk of homelessness achieve sustainable housing and social inclusion;
- 2) people are able to rent housing that meets their needs;

- 3) people can purchase affordable housing;
- 4) people have access to housing through an efficient and responsive housing market;
- 5) Indigenous people have the same housing opportunities (in relation to homelessness services, rental housing, housing purchase and access to housing through an efficient and responsive housing market) as other Australians; and
- 6) Indigenous people have improved housing amenity and reduced overcrowding, particularly in remote areas and discrete communities.

The NAHA provides the framework for Commonwealth, State and Territory Governments to work together to improve housing affordability and homelessness outcomes for Australians.

The agreement recognises the coordinated effort required to progress a wide range of measures. Importantly, supply-side issues, including land release and planning reform, are included within the NAHA housing continuum, acknowledging both the inter-related nature of the housing market and the failings of this market, over time, to adequately and fully address the housing needs of all Australians.

The National Partnership Agreements on Social Housing, Homelessness, Remote Indigenous Housing and the Nation Building and Jobs Plan, together with the NAHA, articulate an ambitious national reform program to address housing affordability issues and homelessness. It also aims to establish a more responsive housing system, introducing new housing products to respond to changing needs in the community and through reform of the social housing system.

Through the coordinated effort across Government to deliver against both phases of the *ACT Affordable Housing Action Plan* and the ACT Government's commitment to housing reform and a fairer and more responsive housing system,

the ACT is well advanced in implementing key elements of the national reform agenda.

Further to the NAHA reform program, the ACT Government has identified the following housing-related deliverables which will also require a coordinated and joint effort across Government to:

- develop adaptive housing options;
- further deliver progressive **social housing reform** by June 2012;
- deliver community housing with a particular focus on **older person's housing**;
- **regenerate our public housing stock**, with a particular emphasis on Northbourne Avenue;
- deliver a **land release program which will include 5,500 dwelling sites**, and progress further new initiatives **to support affordable housing**;
- **complete a short-term accommodation strategy by December 2011** and progress the most feasible options identified which may include hostel-style accommodation;
- complete a **public housing asset management strategy by December 2012**;
- **increase student accommodation places** by supporting development of accommodation at the University of Canberra and the ANU; and
- work toward more sustainable accommodation arrangements for Canberrans living at the **Narrabundah Long Stay Caravan Park**.

In addition to local and national housing deliverables, there is a need for coordinated action toward delivering increased social inclusion. Social Inclusion underpins - and is required across - the range of Commonwealth of Australian Governments (COAG) reforms. It is identified in the National Agreements across all portfolio areas, including education, health and early childhood services. The current emphasis on social inclusion builds on previous ACT Government policy

and program initiatives of the Community Inclusion Board and the Canberra Social Plan.

The social housing system provides a service more than just the provision of physical accommodation bricks and mortar. It provides housing stability and security in addition to access to a range of human and community services to the unemployed, disabled and disadvantaged in the community to help break the cycle of poverty and homelessness.

Within this framework, access to public or social housing can no longer be considered the end point of a person's involvement in the service continuum. It must form part of a network of connected services which support people's needs as well as facilitating access to education, training, employment and other personal and skills development opportunities that encourage them to participate in the community and for those who are able to progress to private rental and home ownership.

Terms of Reference

(1) The findings of the 2011 ACT Ombudsman's Report in relation to the Housing ACT priority housing waiting list, Assessment of an Application for Priority Housing, June 2011:

Housing ACT has a productive relationship with the ACT Ombudsman and welcomes the findings and subsequent recommendations from their investigation of matters as opportunities to improve service delivery and client outcomes.

Housing ACT provided a comprehensive response to the issues identified in Assessment of an Application for Priority Housing, June 2011, which is included in the Ombudsman's final report. It is not replicated here but is available at http://ombudsman.act.gov.au/files/investigation_2011_01.pdf.

Of the Report's four recommendations Housing ACT agreed or agreed in principle with three and disagreed with one (recommendation 4). It should be noted the Ombudsman revised this recommendation following discussion with Housing ACT and Housing ACT did not agree with the Ombudsman's finding of administrative deficiency as being based on an incorrect assessment of this particular application for Housing Assistance.

However, Housing ACT did agree with the broader range of administrative and procedural issues identified in this, and other recent housing matters investigated by the ACT Ombudsman, as areas in which improvements can be made so that Housing ACT better responds to the complex circumstances of its applicants.

These issues include the need for improved business systems, clear policies, procedures and guidelines which assist Housing ACT staff to better make and communicate their decisions regarding Housing Assistance. These matters have been addressed via the development of a comprehensive quality improvement framework for Housing ACT's Gateway Services functions.

Gateway Quality Improvement Project

The Gateway Quality Improvement Project ('the project'), was implemented to consolidate the move to a human services focus in the assessment and allocation of people to public housing resources, and to respond to issues identified in a number of complaints and Ombudsman matters. These complaints highlighted the need for stronger systems of accountability as well as for improvements to the way the unit works with and responds to clients.

The project took a quality improvement approach to identified problems in Gateway Services as well as to the identification of potential solutions. The belief that problems lie with systems rather than people is not only more conducive to bringing about the changes required, it is generally correct (Berwick, 1989). It is also consistent with the 'strengths based approach' in working with its clients which Housing ACT now expects from its staff in Gateway Services.

The project reviewed documents and processes from other jurisdictions, a range of quality improvement articles and research, Human rights research, previous projects undertaken in Gateway services, Ombudsman matters, Directorate policy documents and current projects (most specifically, the Henry Harrison review, the Central Access Point Project (CAP) and the core competency training project).

The project manager also conducted face to face interviews with all staff in Gateway Services, conducted a process mapping exercise with Business Development and Gateway management representatives, met with representatives of the Ombudsman's office, staff from Welfare Rights and Legal Centre and consulted with representatives of other business units and the Housing and Community Services Executive Management (HACSEM) meeting in relation to specific areas of the project. The project manager also undertook some limited consultation with applicants.

Like the 2006 Shepard & Shepard review of Gateway Services, the project found that staff in Gateway are committed to their work, to quality service provision and to a human services approach but are sometimes unsure what that actually is or how to achieve it.

In the main, staff presented themselves as willing to address social welfare issues but were unclear about how they are to do so (Shepard and Shepard, 2006, page 9).

The findings from the research and consultation fed into the development of the deliverables for the project. The first deliverable was to develop a broad model of quality in the wider Directorate context as the starting point from which quality in Gateway Services could be described and measured. The quality model was developed from the broad range of Directorate documents that articulate the elements of quality important to the Directorate.

The second deliverable articulated what this broader model of quality looks like in the specific day to day Gateway context. The project then reviewed business systems and policy to ensure they enable and support quality service provision (deliverable three), developed quality assurance mechanisms to monitor and improve quality (deliverable four), and a training schedule to support and maintain a continuous quality culture (deliverable five).

The recommendations of the project emerged, in the main, through the business systems review. Many of these recommendations have already been implemented with approval from the project sponsor, the Director of Housing ACT.

The most significant recommendation already fully implemented is the move to “on the spot” assessments at the time the applicant lodges an application.

The previous system required applicants to book an interview at the time they lodged the application and the time delay could be up to 8 weeks. This delay was a considerable source of frustration for clients and their advocates as well as for Housing ACT management. Feedback from clients and service providers about this change has been extremely positive.

The unit has managed to relocate, implement and embrace a new CAP and has begun to deliver recommendations from this project. The project also found the current management resources are inconsistent with other units in the branch making it difficult to provide the quality leadership and support needed and expected.

The other recommendations made through the project relate to small changes to procedural matters to improve communication with clients and between business units within Housing ACT.

As Housing ACT continues to consolidate its practices, values and philosophies in a human services framework, the provision of clear guidelines for staff, the implementation and active use of quality assurance measures, regular review of systems and policies and the provision of appropriate training and staff development will remain critical elements in creating a culture of continuous quality improvement.

A review of the Ombudsman's recommendations and the Directorates response follows:

Recommendation 1

Housing ACT should review the information provided to housing applicants to ensure that it clearly and succinctly explains the procedure by which an applicant can seek to have an application on the High Needs list escalated to the Priority list.

The Service Delivery Framework is built on the premise that high quality customer service is dependent on the provision of clear and concise information to clients. In addition the Framework contains two sections that particularly address the Ombudsman's first recommendation:

- (a) The imperative to take an "active" approach to service delivery in Gateway Services and a clear description and examples of active support in the Gateway Services context; and
- (b) A comprehensive practice guideline that outlines the range of complaints and review processes available to clients and when each of these is appropriate including when and how clients can have their case 'escalated' to the priority panel for consideration.

There is a learning guide attached to the framework that all staff need to complete and have signed off by their direct supervisor to ensure all staff are provided with clear information on what is expected of them and how they achieve high quality customer service.

Gateway Services is currently implementing recommendations from the project related to staff recruitment. Training on the Service Delivery Framework will commence in November-December 2011.

Recommendation 2

Housing ACT assist housing applicants to submit written requests for review where the applicants' circumstances suggest that more interactive assistance is needed. If necessary, Housing ACT should seek to have the Public Rental Housing Assistance Program (PRHAP) modified so that officers may provide assistance to housing applicants to make review requests.

The project did not find a need to modify PRHAP, rather the project emphasised the need to provide staff with clearer training and practice guidelines related to "active" client assistance - see response to Recommendation 1.

Recommendation 3

Housing ACT either implement an internal review procedure for re assessing applications in the light of further information provided by applicants or cease referring to a re-assessment if no such procedure exists. An internal review procedure should include a referral of the application to an independent assessing officer or senior assessing officer. Notifications of internal reviews should include reasons for the decision to maintain the application on the High Needs list if the application is not elevated to the Priority list.

The project reviewed the process for reassessment of applications and has devised clearer guidelines for staff on when reassessments should occur and how these are to occur. The project also recommended the letters sent to clients be revised to ensure the information and the reasons for decisions are made clearer. This is currently being undertaken.

The project found it is not practical or possible for an independent or senior officer to conduct or review each re-assessment, given the extremely high number of reassessments conducted as a consequence of changes to client circumstances. However, again the guidance provided by the Service Delivery

Framework as well as the project recommendations to upgrade all assessing officer positions to ASO5 positions and implement the additional oversight and quality assurance measures will address this issue.

Recommendation 4

Housing ACT review its policy and procedure for triaging application for priority housing to ensure that ALL eligible applications are referred to the Multi-disciplinary panel (MDP). Housing ACT should ensure that all officers exercising discretionary powers have appropriate delegations to make assessments that include any discretionary considerations. Housing ACT should also ensure that any 'comparability test' used to rank applications against each other prior to referral to the MDP is consistent with legislation and the PRHAP and is supported by clear guidance, policy and procedure.

All eligible applications for priority housing consideration are and have always been referred to the MDP.

However, assessing officers in managing their high volume workloads need to apply their discretion in identifying cases that require immediate referral to the MDP. This discretion is applied most often to cases where children are at imminent or immediate risk (as advised by Care and Protection Services), where there are any serious risks to the safety of an applicant and their children, or where an applicant cannot be released from hospital as they have no permanent housing in which to recuperate.

While the delegation to prioritise workloads is necessary for all levels of staff in any workplace, the Gateway Quality Improvement Project recommended that all assessing officers in Gateway Services be upgraded to ASO5 positions in recognition of the important decisions that need to be made in Gateway Services. This has been accepted by Housing ACT executive and consultation is currently underway with staff and the Community Public Sector Union (CPSU).

Additional support has also been provided through a practice guideline in the Service Delivery Framework assisting staff to interpret and apply the Housing Needs Determination.

(2) The demand for social housing including an examination of the current waiting lists and eligibility criteria for priority and high needs housing:

The target group for public housing is people on low incomes and people with complex needs. Housing ACT's eligibility criteria ensures applicants are only those on the lowest incomes who have been ACT residents for six months.

This cohort is effectively excluded from the private rental market and relies on the community service obligation of Housing ACT as housing provider of last resort. Housing Assistance in the ACT is finite and limited to the size and availability of the public housing portfolio.

The ability for Housing ACT to address demand and house people from the Social Housing Register is entirely determined by the availability of vacated properties, although the addition of 421 new social housing dwellings constructed under the Nation Building and Jobs Plan has had some impact in 2011-12.

Over time, Housing ACT has seen its work with tenants, to sustain tenancies, pay off with significant reductions in the number of evictions. In 2009-10, there were only 10 evictions.

Reduced numbers of people exiting public housing into homelessness is a success for Housing ACT, which also has responsibility for homelessness services in the ACT. However, this impacts on the turnover and availability of properties available for new allocations.

Despite widespread perceptions of Canberra's prosperity, many people still experience social exclusion which limits their life outcomes. This spiral can be caused by family circumstances, including domestic violence, low expectations, long term unemployment, poverty, lack of suitable and affordable housing, illness or discrimination – often leading to early school leaving, long-term unemployment and chronic ill-health.

Some people are at greater risk of multiple disadvantages, such as jobless families, Aboriginal and Torres Strait Islander people, people with a disability, people with mental illness, vulnerable new migrants and refugees, those with low incomes and people experiencing homelessness. These multiple disadvantages are also experienced intergenerationally and become more profound and entrenched over time.

Priority housing status is granted for those applicants who demonstrate the most urgent and critical need for housing, as determined by a range of factors predicated on these same risk factors as for social exclusion.

In 2010-11, there were 659 new tenancies created, housing approximately 1,568 people in public housing. Of these, 98 per cent were priority and high needs allocations.

Tenancy transfers also prioritise those most in need and of the 303 tenancies undertaken in 2010-11 (approximately 701 people). 76 per cent were priority and high needs transfers.

In 2010-11, Housing ACT reached its highest proportion to date of tenants paying rebated rent, at 91 per cent. Over time, increased targeting to the most disadvantaged has placed two critical pressures on the ACT public housing system.

The tenant profile now comprises high numbers of disadvantaged clients, many of whom may never contribute full market rental payments because of both limited prospects and limited incentives to earn higher incomes through employment. This is reflected in Housing ACT's declining overall rental revenue.

The complexity of this client group also places upward pressure on the cost of services. Additional resources are required to assess and manage complex

tenancies and their impact on the community, as well as increased costs for maintaining, repairing and upgrading the stock portfolio.

The ageing public housing portfolio and its high proportion of Multi-Unit Properties no longer matches the profile and needs of contemporary applicants. This contributes to pockets of disadvantage and high-density stigmatised communities which further perpetuates issues for people.

For the majority of jurisdictions – except the ACT – the response to these pressures has been to sell properties in order to fund ongoing operational costs and maintain its community service obligation to supporting vulnerable people to sustain housing and address their social issues.

Within this context, strategic asset management will play a critical role in the realignment of the public housing portfolio to better meet the needs of the applicant base with diverse housing options. To this end, Government has identified the important role that the Public Housing Asset Management Strategy will have in providing a way forward and has identified this as a priority for completion by December 2011.

(3) The management of waiting lists, innovative strategies to reduce waiting lists and the development of the Social Housing Register (the new centralised waiting list for social housing in the ACT):

Housing ACT's current approach to management of the waiting list was implemented in line with the changes to the PRHAP in November 2006, which introduced the Social Housing Register and its needs based approach to assessment. The MDP was also introduced at this time to assess applications for priority housing. Accompanying these changes were significant reforms to the homelessness support sector to address identified gaps in the supports available along the continuum from crisis to stable housing.

These significant structural reforms to Housing ACT and the homelessness sector established a continuum of services for people as they transition from

homelessness to sustainable independent living. These changes not only consolidated Housing ACT as a human services agency, they placed Housing ACT as the post crisis response on that continuum. This recognised that Housing ACT is not and should not be considered the crisis response to housing need. To place people who are still in crisis in public housing is to greatly increase the chances of a failed tenancy, increasing debt and limited change to the circumstances that produced the crisis in the first place.

These structural reform changes also replaced the previous chronological approach to assessment and allocation, in recognition that a human services agency must have the flexibility to respond to individual complex needs and circumstances in the most responsive way possible.

While the waiting list for public housing has grown over time, Housing ACT has maintained a targeted waiting list ensuring that those in the community most in need are housed.

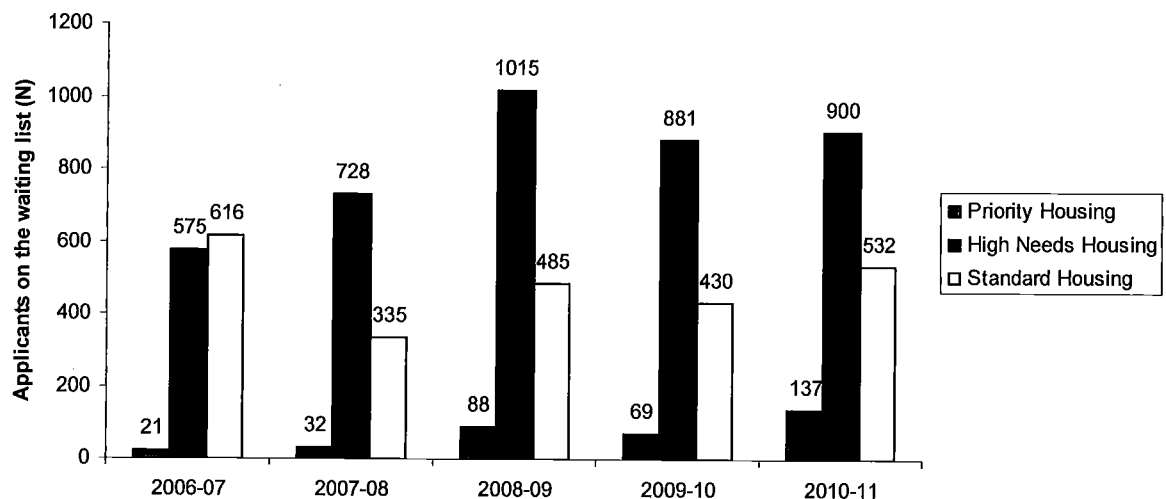


Figure 1. Number of applicants on the Housing Register on the last Monday of the financial year, by priority category, 2006-07 to 2010-11

Partnerships in Housing Assistance

The ACT's three tiered system for the registering of housing applications classifies the need of an applicant and determines the level of housing assistance for which they are eligible to receive.

For Priority Needs applicants the Government's agreed target is the early provision of public housing, which Housing ACT has identified as within 90 days.

The response for applicants who are assessed as being on the High Needs Housing register is the provision of public housing within a reasonable timeframe.

It must be recognised that the High Needs Housing register acknowledges these applicants have complex needs and indeed all applicants are acknowledged as having extreme affordability issues.

For applicants on both the Priority and High Needs Housing registers, the Government has determined that these applicants' needs must be addressed by a combination of specialist homelessness accommodation and support services, mainstream support services, such as mental health and drug and alcohol services and community based services, until such time as they are allocated housing assistance.

The Commonwealth and the ACT Government provide over \$20 million per annum to these organisations. These services are a critical component of the service continuum. For many people, such support enables long term change to address the issues which underlie their need for housing assistance.

It is critical that Housing ACT works effectively and closely with these agencies to ensure people who are not immediately eligible for housing assistance are given clear and concise information and presented with accessible options for support. Housing ACT must also play a greater role in facilitating and linking our clients with these services, as too with alternate housing products as they become available, including affordable rental and home purchase housing.

To this end, the establishment of the CAP in Housing ACT, and its co-location of First Point, the central intake service for homelessness services, and the Supportive Tenancies Service and other specialist community based support services represents a significant achievement.

Central Access Point (CAP)

The second key Housing ACT project which addresses the issues identified in the Ombudsman's findings will be the establishment of The CAP for public and community housing and homelessness services.

The co-location of Government and community service providers will eventually result in a model of shared service delivery enhancement allowing Housing ACT to further consolidate its shifts into the human services.

The service is more than the co-location of a range of government and community providers. Rather, it aims to provide clients with easy and supported access to a broad range of services along the housing continuum from crisis to stable accommodation.

The CAP model recognises the constraints and limitations to the supply of public housing and works to support clients to obtain information about and access to the broad range of services. The co-location of such a range of services will also provide the opportunity for service providers to make more personalised referrals to other services present. Again, this will streamline service delivery and enable clients to gain a greater sense of coherence within the one service site.

Housing ACT is confident the partnership arrangements and the close physical working relationships involved in this model will increase holistic, consistent service delivery. Importantly, the CAP will assist clients to access information, reduce the need to keep telling their story to multiple agencies and increase referrals provided and taken up by clients.

Social Housing Register

The Social Housing Register (the Register) is the combined waiting list for public and community housing and was implemented in accordance with requirements under the NAHA.

The Register commenced on 1 September 2010. There is now one application for all public and community housing applicants. Housing ACT assesses eligibility criteria for each provider, maintains the Register and works with community housing providers to allocate tenants into the relevant property in the social housing system.

Through the Register, community housing organisations are facilitating greater access to housing for those most in need, as the selection process is based on the priority allocation and determination system of public housing.

A review of the operations of the Social Housing Register is currently being undertaken by Housing ACT and is scheduled to report in March 2012.

Community Housing

There are some historical differences in the way community housing is funded, with differing approaches having an impact on organisational viability and the viability of the sector overall.

The majority of community housing tenancies are charged rent based on 25 per cent of their income. Havelock House has a mixed number of affordable rental properties and rebated rental properties in its 99 tenancies. This decision was implemented to enable the Havelock Housing Association to diversify the tenant mix and attempt to address under-utilisation, with vacancy rates of approximately 30 per cent contributing to issues about the viability of the Havelock Housing Association.

The current funding arrangements for each community housing provider are:
The Havelock Housing Association, who are on a rent-based funding model whereby 30 per cent of market rent is remitted to the Community Services Directorate (CSD) and the balance retained by the Havelock Housing Association. Funding for Ainslie Village of \$383,590 was provided in 2010-11 and rent of approximately \$550,000 retained.

Environmental Collective Housing Organisation retain all rent received for 29 properties provided by the Government with no additional funding. They are responsible for property costs and maintenance.

Tamil Senior Citizens Association received benchmark payments for each tenancy managed, amounting to \$5,726 in 2010-11.

Capital Community Housing (formerly TAS Housing) received benchmark payments for each tenancy, amounting to \$40,900 in 2010-11. They also receive funding from Disability ACT.

Billabong Aboriginal Development Corporation received benchmark payments for each property managed plus an operational subsidy, with total funding of \$101,904 in 2009-10.

The Community Housing providers in the ACT mainly use dwellings provided under the Housing Asset Assistance Program by Housing ACT.

Community housing organisations may charge tenants a rental bond. Rental bonds are not required in public housing.

Community housing tenants are eligible for Commonwealth Rent Assistance. Organisations require tenants to pay an amount equivalent to 100 per cent of any Commonwealth Rent Assistance entitlement.

Affordable Housing

Affordable housing can be defined as the provision of housing where not more than 30 per cent of gross household income goes toward housing services such as rent or mortgage repayments. It is provided to persons on low to moderate incomes and is designed to alleviate the stress on public and community housing by creating rental opportunities for people on moderate incomes.

Since 2007, the implementation of the ACT Affordable Housing Action Plan has tackled the problems of declining home ownership, rising rents, dwindling rental supply, and the provision of community and social housing through a comprehensive package of measures. CHC Affordable Housing has entered into an agreement for a \$50 million revolving finance facility to enable 1,000 new affordable dwellings within 10 years.

CHC Affordable Housing received 132 ACT public housing properties (valued at over \$40 million) to provide community housing in the ACT and increase their asset base.

Short term viability is an issue for CHC because it retains a mix of rebated and affordable renters. Properties transferred to CHC from Housing ACT were tenanted with rebated renters, many of whom remain accommodated. Over time, as these tenants exit the system, they will be replaced with affordable renters and the viability of CHC will improve.

A total of 124 dwellings constructed under the stimulus program will be transferred to a range of community housing providers, including three new providers in the ACT for them to own and/or manage. The introduction of Argyle, a large national growth provider, into the ACT represents an opportunity for the sector to develop capacity over time.

- (4) The current range, availability and suitability of social housing stock, including new models of social housing (such as the intentional village model designed for people with a disability and sustainable**

housing models) and any financial implications;

Intentional Community

An *Intentional Community* is a planned housing concept whereby members of the housing precinct have chosen to live together and provide both direct and indirect support to other members. This model provides a greater degree of support for more vulnerable members which would be provided in the general community. This model has been championed by the Getting A Life organisation in the ACT.

In this case, up to five young people with disabilities will establish an Intentional Community with public housing tenants as part of an overall public housing development. That is the young people and the other households will all be public housing tenants.

The CSD has identified a block of land which will enable the creation of a modest sized *Intentional Community*. The site is in Phillip, it is close to the Woden Town Centre, the Canberra Hospital and to existing supports of the residents. Funding has been identified in the 2011-12 Budget for construction of dwellings.

Given the requirement for future clients to be both supportive and actively involved in the Intentional Community, it is proposed to undertake an expression of interest process seeking interested parties from existing public housing tenants.

The governance arrangements for the Intentional Community will be important to its functioning. People will make a choice to live within the Intentional Community and will live by the norms and arrangements which are established. These arrangements are being discussed with Getting A Life, Housing and Community Services and Disability ACT in the CSD.

Affordable Housing for Older People

In December 2010, the Government agreed to the development of older persons accommodation on a number of community facility sites delivered under the Nation Building and Jobs Plan.

A key element of this decision was to establish the sites as a mixed community, comprising public housing and other housing tenures and for a proportion of the properties to be made available to provide affordable rental housing and affordable 'sale' through a licence/lease arrangement for older people who are not public housing tenants.

The planning requirements for this land required any properties constructed on the community facilities sites to operate as supportive housing. Housing ACT was acknowledged to be a provider of supportive housing, because of the general vulnerability of its target population and the high level of service provided to its clients. The adoption of a 'place based' approach to site management sought to ensure consistency in tenancy and site management and the provision of support services across the site and tenure type, at present and into the future.

(5) The management and maintenance of social housing stock including the development of an asset management plan:

Public housing in the ACT is managed by the CSD. The aim is to deliver housing that provides an opportunity to develop a sense of place, and establish inclusive and participative environments for the public housing tenants.

Most of the existing public housing in the ACT is drawn from the housing that was constructed by the Commonwealth with the aim of accommodating large numbers of public servants that were transferred, when Commonwealth Departments were being established in Canberra.

In August 2011, there were a total of 11,856 public housing dwellings. Of these there were 993 four plus bedroom dwellings, 5,010 three bedroom dwellings and 3,611 two bedroom dwellings. The average age of this stock is 29.15 years with over 50 per cent of the stock being 30 or more years old. Of the total housing

stock, 8.5 per cent are four plus bedrooms, 42.3 per cent are three bedroom and 30.5 per cent are two bedroom. The public housing portfolio at 30 June 2011 had a value of \$4.3 billion.

Of the total housing stock, 64 per cent are houses with 22 per cent being flats. Of the flats, 83 per cent are located in Multi Unit Properties (MUPs). The term MUPs is used to define a public housing complex that consists of more than 40 units, such as the Northbourne Flats (Braddon and Turner) and Gowrie Court (Griffith).

While several of the MUPs are in high value locations and are well located near shopping centres and public transport, they are subject to major problems, with many of them being over 40 years old and in poor condition. They are limited in the types of households they can accommodate and do not comply with current standards or building codes.

They are unable to cater for people with high and complex needs and tenants are more likely to experience problems of violence, drug and alcohol abuse and poor mental health. Some of the MUP sites under-utilise the land on which they are built, are affected by planning or heritage constraints and are located next to vacant unused blocks of land.

The MUPs are generally subject to higher vacancy rates and refusal rates than other housing properties. Housing ACT has implemented programs (Housing Now) which are designed to encourage public housing tenants to apply for dwellings available for immediate allocation in locations such as Oaks Estate and Northbourne Avenue – MUPs that are subject to significant tenancy issues. While the program has had some success, offers of these properties are frequently refused.

The manner in which the public housing portfolio is managed influences how effective it is in meeting the demand for housing assistance. The major responsibilities with respect to asset management are:

Protecting the Territory's investment of \$4.3 billion, through management of the maintenance and upgrade programs, as well as responding to environmental standards, particularly in the areas of energy and water efficiency.

- (i) In 2010-2011, a \$34 million program to repair and maintain public housing was undertaken. The repairs and maintenance program included \$13 million for responsive repairs (break downs and damage) and \$21 million for planned maintenance activities (internal and external painting and wet area replacements). Under the planned maintenance program works were delivered to 1,111 properties. In addition 137 modifications were carried out to properties so that the tenants could remain in the property.
- (ii) In 2007-08, the ACT Government committed \$20 million over 10 years to improve the energy efficiency of public housing. Since then improvements have been undertaken to 3,100 properties, which is about 26 per cent of the public housing portfolio. The energy efficiency measures include ceiling and wall insulation, draft sealing, installing gas and electric boosted hot water systems. In the 2011-12 Budget, an additional \$8 million was provided over four years to expand the existing programs to improve the energy efficiency of public housing stock. As a consequence this will improve the financial well being of tenants through lower energy costs.
- (iii) Since April 2011, over \$2 million has also been provided by the Environment and Sustainable Development Directorate to assist low income households and community organisations to reduce energy consumption and install renewable energy technologies.

- (iv) The design brief for public housing dwellings that are built has also been updated to ensure that all houses achieve a minimum of a 6 star energy rating and that high energy efficient appliances are installed. To date over 400 properties which have been built have achieved a 6 star energy rating.
- (v) When properties are upgraded dual flush toilets, water saving shower heads, flow retardation devices and boundary limiting vales re installed to reduce public housing water consumption.

Managing the public housing portfolio to align with changing social structures and tenant and prospective tenant needs.

- (i) A capital program has been developed that is based on a mixture of purchase and construction. The main source of funding for the capital program is through the sale of public housing properties.
- (ii) As part of the Economic Stimulus Package, the Australian Government provided state and territory governments with \$5.6 billion to construct and maintain social housing properties.
- (iii) \$87 million was allocated to the ACT for construction of new properties over 2 stages: Stage 1 (\$11 million) and Stage 2 (\$76 million).
- (iv) The original construction proposal to the Commonwealth Government was for the construction of 357 properties. This was revised and the ACT has advised the Commonwealth that it will now deliver 421 properties across Stage 1 and Stage 2. The final two properties are expected to be completed in November 2011.

- (v) Funding was also identified in the 2011-2012 Budget to construct public housing on a site in Chisholm. The dwellings will be used by older people or people with a disability.
- (vi) The construction program is based on the use of greenfield sites, redevelopment of standard public housing blocks and redevelopment of MUPs. The new dwellings are scattered throughout the suburbs. These dwellings are constructed to a more contemporary and liveable design, making them suitable for a wide range of public housing tenants. They provide better housing outcomes, reduce maintenance costs, allow for ageing in place, are more environmentally sustainable and discourage anti-social behaviour. By making these dwellings as energy efficient as possible, their operating costs are reduced for those that are on low incomes.
- (vii) Housing ACT has been progressively redeveloping MUP sites such as Baringa Gardens (Melba) and Macpherson Court (O'Connor). The aim of the rolling program of disposal of poorly performing MUPs is to construct an equal number of replacement dwellings so there is no reduction in stock numbers. This allows the public housing portfolio to be aligned with tenant needs whilst optimising the value of the asset. It also allows for the breakdown in concentrations of disadvantage.
- (viii) Earlier redevelopment initiatives including McPherson Court (O'Connor) and Condamine Street (Turner) and Lachlan Court (Barton) led to improved social and design outcomes but with the disadvantage of returning only 15 to 18 per cent of the original stock numbers (either on site or purchased from sales revenue). More recent developments including Burnie Court in Lyons and Fraser Court in Kingston have increased the return to between 30 and 80 per cent, adding value through the method of release such as by Joint Ventures and/or securing planning up lift.

- (ix) In November 2010, the Government agreed that a planning report be prepared to support a variation to the Territory Plan for land in Braddon and Reid, currently occupied by Bega Court, Allawah Court, Currong Apartments and the Catholic Church land. The variation to the Territory Plan is being progressed. Separate to the Territory Plan Variation process there will be further consultation with the public housing tenants at Bega Court and Allawah Court and the broader community.
- (x) Public housing is targeted more than any other jurisdiction (partly due to the lack of rural and regional stock). This means that tenants have higher and more complex needs and are likely to remain on income support – in 2010-11 just over 90 per cent of public housing tenants were on a rental rebate. With rentals set effectively at less than 20 per cent of income, this means costs will inevitably increase more than revenues for Housing ACT. There is no operational surplus or return on investment to fund redevelopment or stock renewal.
- (xi) The disposal and redevelopment of existing properties is essential to address the challenges faced in maintaining an ageing stock of inappropriate dwellings. Strategies are needed which unlock the value of the land, and through either planning uplift or approved Development Applications allow an increased yield. This translates to a return which either offsets the loss of units on the land being developed or preferably, increases the yield/return allowing an equal number of units to be provided in other locations.

It is also important to respond to the Commonwealth Government's focus on reducing concentrations of social disadvantage in housing stock. While a general target of a maximum of 15 per cent public housing in each suburb or location has been canvassed by the Commonwealth, the focus is on the negative outcomes of such aggregations, such as anti-social behaviour, community impacts and access to employment, rather than in prescriptive limits.

Overall, the public housing stock in the ACT is approximately 8 per cent of the total housing stock spread across the ACT. Over 45 per cent of dwellings in Reid and Oaks Estate are made up of public housing, concentrated in multi-unit dwellings. Of other suburbs that have more than 10 per cent of the total stock as public housing, the majority have at least one or two MUP properties in them. MUPS contribute to, not only local concentrations, but to higher representation at a suburb level.

The Government has committed to a Public Housing Asset Management Strategy which will be released by December 2011. The strategic management of the asset portfolio (through the Strategy) will address these aggregations of disadvantage whilst maintaining, and potentially increasing the number of residential units in the portfolio.

Shared Equity

The shared equity scheme was made available to public housing tenants in May 2010. Under the shared equity scheme tenants have to purchase a minimum of 70 per cent of the value of the property. The first payment of the Commissioner for Social Housing's equity share (15 per cent of the total outstanding) was to be made after 5 years, with the balance being paid over 15 years, although early payment is encouraged.

By October 2011, a total of 69 applications had been received. 48 applications did not proceed, principally because Housing and Community Services did not wish to sell the dwelling (eg it was in a development zone) or because the tenant decided not to proceed with the sale or did not secure finance with IMB.

There have been a total of 14 properties purchased under the shared equity scheme. To date, two purchasers have chosen to payout the Commissioner's equity share.

- (6) The needs of social housing managers and all social housing tenants, including but not limited to:**
- **current tenants;**
 - **prospective tenants including those on waiting lists; and**
 - **people socially and geographically affected by social housing allocation.**

Housing ACT has also implemented a range of measures to respond to the increasingly complex needs of its tenants.

Youth Housing Program

The Youth Housing Program assists young people to sustain long term tenancies and to engage with education, employment and the community. The Program specifically targets young people aged 16 to 25 who are transitioning from the Youth Community Justice System, Care and Protection or Homelessness Services.

Housing ACT employs two youth housing managers and a team leader to engage with the young people. The staff work with the young people from their initial contact with Housing ACT, through the application and allocation process and on to tenancy management.

At 30 June 2011, 143 youth tenancies were managed under the Program, an increase of 20 tenancies in 2010-11. All but one youth tenancy has been sustained since the commencement of the Program, demonstrating the success of the model.

A Place to Call Home

Under A Place to Call Home, the ACT received \$10 million to provide an additional 20 dwellings to directly accommodate homeless families in the Territory, using a housing first model. The concept is to provide housing first, then build appropriate supports around the family to sustain their tenancy.

An example of this is the Pre-allocation case conferencing mechanism, which identifies the needs of the applicant, any agencies who are providing support and

assists in making appropriate allocations. Mental health agencies are regularly involved in the case conferences.

These new measures are complimented by the role and function of Housing ACT's three Client Support Coordinators (CSC). The role of the CSC is to identify and assist tenants to access appropriate supports and to provide a mentoring and coaching role to Housing Managers to improve their skills in identifying and responding to the range of client issues.

Home to Work Project

In 2010-11, the CSD and the Chief Minister and Cabinet Directorate secured funding through the Commonwealth Department of Employment Education and Work Place Relations Innovation Fund to assist public housing tenants secure employment. Anglicare Canberra and Goulburn, as the project manager, has worked with Housing ACT and Northside Community Services providing a collaborative, placed based and citizen centric approach to securing employment for the participants.

The project has provided a number of training, education and employment opportunities for long term unemployed public housing tenants and residents living in the 2612 Post Code. At 30 June 2011, 38 per cent of participants have found ongoing employment in a variety of industries that suit their skills and interests, whilst others have achieved training goals.

Housing ACT has invested significant effort in ensuring its training and staff development program provides its staff with the necessary skills to undertake their duties. A key component provides a range of staff training and development activities which aim to improve understanding of the issues facing Housing ACT tenants, including Mental Health First Aid Training. Client Support Coordinator's are available to every tenancy team to assist in identifying client needs and facilitating specialist external supports.

Improving Support Stronger Communities

The ACT Government announced the establishment of additional workers in Housing ACT as part of the 2011-12 ACT Budget to provide a specialist response to antisocial behaviour. These workers will have a focus on responding to client issues which may result in antisocial behaviour, including drug and alcohol misuse.

A discussion paper, *Improved Support, Stronger Communities* was released on 17 October 2011, commencing a 6 week community consultation period on the Antisocial Behaviour Response.

The paper identifies three aspects for inclusion in the final model for Housing ACT's new approach:

- 1) Tenancy support – including new Antisocial Behaviour Response team workers with a drug and alcohol focus, among other duties;
- 2) Improved support to people and communities affected by antisocial behaviour; and
- 3) Tenancy sanctions – this includes clear legal pathways for people who do not adhere to their tenancy obligations and refuse to engage to change their behaviours and the development of tenancy management in conjunction with the ACAT. This aspect will also consider the role probationary tenancies could play.

Housing and Accommodation Support Initiative (HASI)

In a partnership between Housing ACT, ACT Mental Health and community based mental health agencies, ten integrated packages for housing, mental health and personal support have been established to support sustainable tenancies in public housing for people with moderate to severe mental health issues. The HASI program in NSW has demonstrated that this model of integrated service delivery provides improved outcomes for people with mental illness, in relation to sustaining longer term public housing tenancies and improved mental health and well being, and improving community participation.