

MINISTERIAL STATEMENT

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MINISTER FOR HOUSING**

PATHWAYS FROM HOMELESSNESS INTO HOME OWNERSHIP

Mr Speaker, housing is one of the most important social policy challenges facing governments across Australia.

It requires national leadership and a close working relationship between the Commonwealth and State and Territory governments.

I am delighted that the new Australian Government has prioritised housing through the appointment of a dedicated Minister for Housing and has the commitment to establish a comprehensive National Affordable Housing Agreement.

This will bring together under the one Agreement, policy and program responsibility for homelessness, social housing and affordable housing.

In the ACT, we are well advanced in developing a system that provides housing options and outcomes for people at all levels.

The new national agreement will be an opportunity to further achieve housing and support continuum from homelessness to home ownership.

Mr Speaker, as a result of the work of this Government, the ACT now has a housing system that is truly responsive to the changing circumstances of individuals and families, providing long-term benefits.

It's a system that recognises people often have complex issues, including disadvantage and poverty, for which it is well equipped to respond.

It is a system which acknowledges that people may have significant life events, such as family violence and breakdown, separation and divorce. Such events can have a major impact on people's housing outcomes.

Unemployment, ill health or mental illness can also have detrimental effects on people's ability to access and/or sustain housing.

This is true for both the rental and home ownership markets.

The increasing cost of living and pressures facing families also highlight the need for an integrated system, able to respond to peoples' individual circumstances.

Mr Speaker, as Minister for Housing, I have been dedicated to improving housing services and implementing reforms aimed at providing a housing system that is more targeted and responsive.

It was for this reason that I convened a Housing Consumer Forum and Housing Summit in February 2006, where I sought input from public housing tenants and community stakeholders on ways to improve housing services.

Many of the public and community housing reforms which have been implemented over the last two years were first raised or canvassed through this forum.

It is these reforms that have led to the development of an effective service continuum, supporting people to transition from homelessness to long term, sustainable housing, including home ownership.

In particular, we have been working to ensure that low to moderate income earners are able to realise their aspirations to long term housing and home ownership, through reforms to the social housing system.

A key step in achieving housing reform has been the recognition that social housing is more than just a bricks and mortar response.

It is a critical human service. It must recognise and respond to tenants and have the capacity to link people with appropriate supports that assist their economic and social wellbeing.

To assist this, Housing ACT has effectively developed links with community organisations and has been particularly successful in working with the homelessness sector to support people as they transition from homelessness into public housing tenancies that they can sustain.

Many of the reforms achieved by Housing ACT have focussed on positioning public housing as part of a post crisis response. Specialist crisis services are provided by the ACT's homelessness services.

Homelessness Reform

Mr Speaker, in April 2004, the Government launched *Breaking the Cycle - the ACT Homelessness Strategy*, its key policy commitment to improving responses to homelessness.

Underpinning *Breaking the Cycle* was additional ACT Government funding aimed specifically at addressing gaps in the existing service system and responding to priority target groups.

This funding established additional services for families, including fathers with children and couples without children, single men and targeted outreach services for Aboriginal and Torres Strait Islanders, young people, single men and fathers with children and women.

The addition of these services increased the overall capacity of the ACT sector by 30% and resolved some key issues about the overall quality of the ACT's homelessness response.

For example, prior to the establishment of the service for couples without children, men and women regularly had to separate in order to gain access to specific services for single men and single women.

Likewise, homeless families were splitting up to access support, with men going into the ACT's only single men's refuge while women and children primarily accessed Domestic Violence services.

These examples clearly demonstrate a homelessness sector in which the prevailing service model governed the responses available, often to the detriment of individual and family outcomes.

It also demonstrated that homelessness agencies were operating as individual and discrete agencies, as opposed to a service system which provided continuum of support and worked together to meet the needs of people experiencing homelessness.

The new services established under the ACT Homelessness Strategy represent a suite of innovative and contemporary service models.

The services moved away from congregate living responses, accommodated individuals and families within their own dwelling and offered tailored, flexible outreach support based on need which steps down over time as client needs are resolved.

The new services demonstrated that crisis support could successfully be provided in a different way to the traditional refuge model and still achieve positive outcomes, especially for children.

These strategic successes formed the basis for ongoing service and sector development work undertaken as part of the implementation of the ACT Homelessness Strategy.

This work, undertaken in partnership with SAAP funded community agencies, sought to consolidate the movement of SAAP from being a model based service approach, to a client focussed and responsive approach working as a system in which the availability of accommodation no longer determined the availability and nature of support available.

Considerable administrative efficiencies and increased coordination were also gained through the amalgamation of a number of crisis and medium term services.

The ACT had a number of stand-alone medium term services which operated as individual agencies. Many of these services were provided by the same agencies which also provided crisis services.

The ACT Government amalgamated these services, revising the service models accordingly.

Services were able to provide a mix of crisis and longer term accommodation and support services which did not require clients to exit one accommodation service and enter into another as their support requirements diminished.

Exit Points and Transitional Housing

Mr Speaker, a key part of an effective crisis response is having established exit points for clients that have moved beyond the initial period of crisis and require a long term housing option.

Housing ACT has worked closely with the sector to streamline and create appropriate exit points into public, community and private rental housing.

To facilitate access to crisis services and as an exit for those no longer in crisis from homelessness services, a Transitional Housing Program was established in 2006-07.

The Transitional Housing Program uses vacant housing stock that is awaiting development or is hard to let, as the stable platform in which people who have been in crisis can continue to receive support while waiting for their long term housing option to become available.

Properties are available for three to six months.

This program also ensures that people who require intensive support to resolve their issues have access to crisis services while those that have lesser support needs are able to move through the system to public or community housing.

Public Housing Reform

Mr Speaker, public housing also provides stable and secure housing from which people can participate in and contribute positively to their community.

As Minister for Housing, I have continued to implement the ACT Government's reform program to establish a fairer and more responsive public housing system, targeted to those most in need.

Housing ACT has continued to achieve the benefits associated with the implementation of the new Public Rental Housing Assistance Program (PRHAP), which commenced on 1 October 2006.

The new Program encompassed changes to eligibility criteria, a tightening of the ACT residency requirements – and major changes to the priority allocation system – by moving to a needs based allocation system which recognises complex needs in the assessment and allocation processes.

Changes in service delivery have improved our responsiveness to the needs of our clients and our tenants.

Reforms to the public housing allocation system have resulted in significantly reduced waiting times for those most in need – and the

public housing waiting list now also accurately reflects the number of people who need public housing

The process of streamlining commenced with changes to the public housing eligibility requirements and an overhaul of the priority allocation system in 2006.

These changes have reduced the waiting list to 1112 applicants at 14 July 2008, compared to 2418 in June 2006 and 3005 at 30 June 2005.

Applicants in need of priority housing are being housed, as at 22 July 2008, within 55 days, compared to in excess of 9 months under the previous priority system.

This has had a positive impact on both those in need of priority housing and on homelessness services that may have been unable to take new clients, due to waiting for existing clients to be housed.

The benefit has also flowed to those on the High Needs and Standard waiting lists in the form of greater movement from those lists.

Support to tenants has been expanded to include time on the waiting list, prior to housing allocation. A 'triage' model assists people in need through the application process.

Pre-allocation case-conferencing assists in identifying any support agencies currently supporting applicants and may also assist in referring people to agencies that may be able to assist them immediately and/or in the future.

Case conferences provide an opportunity for the applicant, Housing ACT and the support agencies to establish a cooperative working relationship aimed at a sustainable tenancy.

Work with support providers as our community partners has included involving them as members of the Multi-Disciplinary Panel assessing applications for priority housing.

This involvement increases Housing ACT's capacity to ensure that appropriate supports are in place to assist tenants with complex needs to plan for, and sustain their tenancies.

There is a focus on ensuring that organisations funded to provide homelessness services provide the response to crisis, while Housing ACT provides a longer term housing option.

More Effective Utilisation of Stock

To increase Housing ACT's capacity to provide housing assistance to those most in need, I announced further reforms in April 2007, aimed at better utilisation of housing stock.

These reforms relate to tenants with sustainable incomes over \$80,000 per annum, and to tenants with two or more bedrooms in excess of their current requirements.

Mr Speaker, following consultation with residents, a 'right-sizing' program has been established which is encouraging and supporting people to move to properties which better meet their needs.

It takes into account each person's specific circumstances, such as age, location and family and community commitments.

These measures have been progressed by means of extensive public consultation in August and September 2007 to ensure the reforms are sensitive to the aspirations of tenants, while enabling them to consider opportunities for other housing options that may better suit their changed circumstances.

Options could include moving to smaller accommodation for those in large dwellings still in need of assistance, or home purchase for those who have moved beyond a need for housing assistance.

To support tenants to move to home ownership, the Sale to Tenant Scheme has been extended and will be augmented by a shared equity scheme.

The shared equity scheme will allow tenants who cannot afford to buy the full value of their home to buy a percentage, while Housing ACT retains the remainder until it is also purchased by the tenant.

The changes to the provision of public housing also introduced in specific consideration of appropriate responses to whose housing needs have changed.

Tenants with two or more spare bedrooms were advised that they may be asked to move to another Housing ACT dwelling after a full consideration of their individual circumstances.

Housing ACT undertook to find suitable alternatives in negotiation with the tenant and to also meet re-location costs. Costs will include removalists' fees and charges for reconnection of utilities.

Mr Speaker, this initiative is already having results as can be seen from the following case study.

Jane (not her real name) approached Housing ACT after hearing about the downsizing initiative at one of the tenant forums.

She contacted Housing ACT to advise that she was currently living in a 5-bedroom property in Woden and wanted to move to something smaller and more manageable.

Jane is a 49-year-old woman who relies solely on Centrelink payments. She has care of her two grandchildren. She has been a tenant of Housing ACT in a number of properties since 1994. She has resided in the 5-bedroom property since 2005.

The Housing Reforms Officer organised a time to meet Jane at her property to assist with filling out the transfer application and to discuss her needs.

Jane advised that she had a number of medical issues, including lupus and had recently been diagnosed with Multiple Sclerosis. She told the Housing Reforms Officer that her current property was too large to maintain and that her family was only using three of the bedrooms.

Jane also stated that her grandchildren were having issues at their current school and that she would like a fresh start in a completely different area.

Property requirements, area preferences and supports were discussed with the client. She advised that she was willing to move to a 3-bedroom property in the Woden, Belconnen or Gungahlin areas as long as the property was reasonably close to a school.

Jane was approved for the Management Transfer Downsizing category for three-bedroom accommodation. The Housing Reforms Officer contacted the removalist and organised for some packing boxes to be delivered to Jane.

Jane was made an offer of a property in Gungahlin on 5 June 2008. The Housing Reforms Officer met the client on-site at the property. The property was in close proximity to schools and the local shopping centre. Jane accepted the property.

The Housing Reforms Officer gave Jane contacts for the Department of Education so that she could change her grandchildren's enrolment and organised for a removalist to contact her to move her belongings.

Jane signed to a new tenancy on 11 June 2008.

Jane's 5-bedroom property has since been offered to a family from the transfer list needing larger accommodation for their family of 7 people (including 5 children).

Mr Speaker, this case study demonstrates how effectively housing assistance policy responds to changing needs.

Another example of flexible housing assistance is the provision of rental bond loans.

The Rental Bond Loan scheme can assist people on low to moderate incomes to rent suitable properties in the private sector through the provision of a loan of up to 80% of the bond. The loan is repayable to Housing ACT.

Rental Bond Loans can assist people to access housing who may have the desire and means to rent privately, but who may have the start up costs associated. There are also people who choose not to access public housing.

This initiative creates additional housing choices across the continuum of housing responses.

Mr Speaker, it is appropriate at this juncture to discuss other policy responses relating to appropriate housing.

Community Housing and Affordable Housing Action Plan

One element of this is the strengthening of the community housing sector.

In April 2007 the Government announced an expansion of community housing in the Territory to increase the supply of affordable rental properties and dwellings in the ACT.

Community housing is a small, but important element of the social housing mix, meeting important social needs and providing critical support to people experiencing housing stress.

It provides an alternative to public housing and additional housing options in the system.

The expansion of community housing will see Community Housing Canberra become a major provider of affordable housing in the ACT.

This is a not-for-profit company that operates as both a community housing asset manager, as well as a provider of affordable housing.

The ACT Government is providing Community Housing Canberra (CHC) with an injection of equity of \$40 million through the final transfer of title of 135 properties, already under CHC's control, which the company will leverage to increase the amount of available affordable housing.

The ACT Government will also provide CHC with land at market prices, a revolving \$50 million loan facility at government borrowing rates, \$3.2 million capital and a \$250,000 annual capital subsidy for 3 years.

In return, CHC will develop an additional 500 affordable dwellings over the next five years, increasing to more than 1,000 over the next ten years. CHC will also offer a shared equity program to eligible tenants.

Implementation of the 62 initiatives contained in the Government's Affordable Housing Action Plan, is well advanced.

The Government has increased land supply to 3,400 in the 2007-2008 year and mandated the delivery of house and land packages priced between \$200,000 and \$300,000.

It has also introduced “OwnPlace” which allows eligible buyers to purchase quality built homes in Land Development Agency estates for under \$300,000.

And it has provided generous concessions to help first home buyers into the market including: the Home Buyer Concession Scheme, the Deferred Stamp Duty Payment Scheme as well as the First Home Owners Grant.

The Government has also introduced a land rent scheme, which has attracted strong community interest.

These initiatives are designed to improve the supply of affordable housing, making home ownership a possibility for more Canberrans.

Mr Speaker, the Government has also increased the number of community housing places available in honouring its commitment to transition Ainslie Village from a crisis accommodation site to a community housing site.

After an extensive consultation process with residents and stakeholders, the Government announced a tender process in October 2005 for an existing community housing organisation to provide housing management services at Ainslie Village.

Havelock Housing Association was successful in this tender process.

Mr Speaker, the ACT Housing system has been re-shaped providing housing options and outcomes for people at all levels.

The reforms I have outlined today demonstrate the extent of the change.

The ACT now has a housing system that is truly responsive to the changing circumstances of individuals and families, providing long-term benefits to them and the community as a whole.

(Ends)