

KEY MESSAGES

FROM

ACT MINISTERIAL HOUSING CONSUMER FORUM

Monday 27 February 2006
Rydges Lakeside
Canberra

ACT MINISTERIAL HOUSING SUMMIT

Tuesday 28 February 2006



INTRODUCTION

The ACT Ministerial Housing Consumer Forum was held on Monday 27 February 2006. All tenants — private, public and community — as well as individuals experiencing homelessness or who access crisis accommodation services, were invited to the Forum. For the 250 people who attended, it was an opportunity to share first-hand their stories, discuss housing issues and to offer input to social housing policies.

On Tuesday 28 February 2006, the ACT Ministerial Housing Summit expanded on discussions held at the Consumer Forum and at a series of subject specific forums that were held throughout the previous 12 months. Approximately 260 stakeholders attended the Summit to listen and participate in sessions about operational and strategic policy directions for housing in the ACT.

Two public housing tenants presented the key messages from the Consumer Forum to the Minister for Disability, Housing and Community Services and the wider Summit participants. Dr Ian Winter, Executive Director of the Australian Housing and Urban Research Institute (AHURI), presented a keynote address. A package of four Information Papers was produced by DHCS to stimulate discussion amongst participants at the workshops. These were facilitated by an independent consultancy firm, KPMG National Social Policy Practice. Copies of the Information papers are available on the Department of Disability, Housing and Community Services website at <http://www.dhcs.act.gov.au/>

A range of housing topics were discussed at the Summit, these included:

- Access to Social Housing and Community Housing;
- Tenure in Social Housing;
- Management of Public Housing;
- Building Communities;
- Social Housing Supply; and
- Private Sector Options.

Key messages from the Consumer Forum and Housing Summit are outlined in this report. These messages capture the major discussion points and reflect the many views of participants. Messages have been provided in a format that captures in summary the voices, views and perspectives of participants. They do not necessarily reflect current government policy.

The key messages were drawn from the workshops and plenary sessions facilitated by KPMG National Social Policy Practice. The issues and solutions summary of each workshop was recorded by KPMG on whiteboards and has been amalgamated with additional information provided by participants during the course of the Consumer Forum and Housing Summit.

The key messages endeavour to provide a synopsis of the key themes and issues discussed during the Consumer Forum and Housing Summit. Some issues have been collapsed into broader themes and may not identify the individual issue raised. The report back of issues and solutions from the Consumer Forum is also available to read in conjunction with this document and provides the key outcomes as described by tenants who participated in the Forum.

The Forum and Summit were vital steps towards further development of housing policies that are informed in large part by the people mostly affected by them: housing tenants and stakeholders. The Department thanks all the participants for their time and valuable input to this process.

ACCESS

Consumer Forum and Housing Summit participants confirmed that stable, secure and affordable housing is central to all members of the community. Housing may be provided through a range of tenures. Key messages to improve access to home ownership, feel secure in private rental dwellings, participate in community housing and improve public housing, are outlined below.

Home Ownership

Home ownership is seen as being inaccessible for many sections of the community. Government finance (low interest loans) could support some tenants to purchase properties.

Investigation of financial planning strategies that assist tenants to enter home ownership, eg rent which was credited toward the purchase price of a home could assist tenants to save sufficient funds to enable them enter home ownership.

Private Sector

Participants highlighted the lack of clear guidelines on tenants rights and access to support services for private tenants. Private sector tenants also stated that legislation appeared to favour landlords, illustrated by the lack of security of tenure in the private rental market.

The provision of support to transition between public and private rental is seen as important. Tenants felt there were less support services in the private rental system with no equivalent services to those provided by Housing ACT.

Community Housing

Participants indicated dissatisfaction with the commercialisation of the community-housing sector, which undermines the values and beliefs of some community housing services. In contrast other participants felt some community housing models burden tenants with governance and association responsibilities.

Another issue for community housing was the view that current head leasing arrangements provide no guaranteed replacement property for the tenant if the house were to be sold.

Public Housing

It was noted that the current public housing policy of allocating to those most in need directly impacts on the ability of low-income earners to access public housing.

Participants stressed the importance of allocating properties based on an individual's need and unique circumstances.

Many participants felt Housing ACT is too rigid about the criteria for accessing public housing; this inflexibility was linked to how guidelines are interpreted, including an overemphasis being placed on categories.

Participants highlighted the need for better management of the public housing waiting list. Service improvement strategies proposed included enhanced transparency regarding an

applicants place on the waiting list, length of wait and process of transfer between properties.

Other issues noted included the need to improve access to and supply of housing that is close to public transport and social support systems.

Supporting people with complex needs

The capacity to meet diversity/individual needs is challenging, with competing priorities for resources. It was suggested that these tensions might be better managed with the improved access to appropriate and tailored housing options that enhanced an individual's quality of life.

A strong view was expressed that the policy of de-institutionalisation has contributed to increased demand for housing support and housing options in the social housing system.

It was also felt that the provision of housing needs to be matched with coordinated support for tenants with complex needs. The key groups of people identified by participants as requiring support to live independently or sustain their tenancy include:

- people with disabilities
- people with mental health concerns;
- people released from prison;
- large families;
- carers; and
- sole parents.

SECURITY OF TENURE

In general Consumer Forum and Housing Summit participants indicated strong support for maintaining security of tenure in social housing. Some participants held contrary views, whilst others favoured an approach supporting security of assistance for the duration of need.

Security of tenure was viewed as important for emotional and financial security, particularly for older tenants who have lived in the same property for a period of time enabling the person to age in place. There was discussion of broadening security of tenure to the private and wider social housing context as an alternative to home ownership.

Some participants stated that housing tenure should be transferred to dependents, particularly in situations where the tenant died. Participants noted the need for a clear definition of security of tenure.

It was suggested that changes to security of tenure might lead to increased evictions resulting in people losing their homes.

There was some recognition that security of tenure does not necessarily mean that those most in need access social housing.

A strong message was that security of tenure does not replace the need to increase the supply of social housing.

If security of tenure was not available, then the next best option was seen to be security of assistance. It was felt however that there would need to be clear guidelines and protocols such as to how often and when a person could be moved, to protect individuals from multiple moves.

There was a view from many that for people on higher incomes within social housing that they should be supported or encouraged to buy their own home or to move another form of housing tenure.

Participants supported incentives to assist tenants to transition to the private rental market or other forms of tenure, through measures such as:

- subleasing of properties;
- increasing the "right to buy" options; and
- reviewing eligibility criteria, particularly for high-income earners to seek alternative tenures e.g. home purchase or private rental.

There was recognition that tenants on higher incomes paying market rent are currently subsidising the social housing system and supporting those most in need, and also helping to maintain the diversity of tenants. There were concerns that if this group were removed from the social housing mix then there was a risk of creating ghettos or a welfare-housing ethos.

There was very little support for fixed term tenancies as it was viewed as a way of moving people out of the social housing system.

APPROPRIATE AND MAINTAINED PUBLIC HOUSING

There was a clear message of the need to improve the quality and safety of public housing. It was suggested that Housing ACT needs to ensure national standards of housing are met.

Key maintenance issues included; security, lighting, car parking, carpet replacement, expiry of hot water systems and garden maintenance. The main issues appear to be in complexes/units.

Suggested strategies to improve maintenance included:

- undertaking regular property inspections to monitor condition and audit repairs of maintenance;
- providing clear timelines and processes for identifying maintenance issues;
- providing timely feedback on maintenance complaints and responses to correct mistakes or non-compliance;
- providing details for accountability such as a phone number and unique work order number to follow up with enquiries, and an online tracking system to monitor progress; and
- allocating caretakers in public housing complexes.

It was felt that maintenance should be the full responsibility of Housing ACT. However, support could be given to tenants to form tenant maintenance self-help groups and training provided on how to check the quality of maintenance. It was suggested that consideration could also be given to provide reimbursement for self improvements.

Enhance Customer Service

A key message noted at both the Consumer Forum and Housing Summit was for ongoing improvement to Housing ACT's relationship with its clients.

Participants agreed that tenant information should be correct, timely and consistent. Information flow should also be a two-way communication; this was illustrated by the need to receive feedback on the progress of lodged complaints.

Participants noted a range of factors that impact on establishing strong and resilient relationships, they include:

- high demands on public housing staff leading to high turnover of Housing Managers;
- advising when there are changes in circumstances such as changes to housing managers;
- ongoing support, training and resourcing of public housing staff to have the necessary skills and information to respond to tenants needs;
- strengthening the relationship with Centrelink especially in relation to income changes and the impact on rental rebates;
- enabling housing managers to make decisions at the local level;
- improving transparency and accountability processes across public housing, (with some participants stating that Housing ACT's customer service had improved); and
- providing tenants with a copy of the Residential Tenancies Act or an easily understood version.

There was also a suggestion to attach the ACT Bill of Rights, including economic, social and cultural rights, to all occupancy and tenancy agreements.

BUILDING COMMUNITIES AND NEIGHBOURHOODS

Key messages on building a good neighbourhood included: consideration of safety and security of the home and tenant; being treated with respect by Housing ACT and community members; elimination of discrimination; and, maintaining a diverse and viable social mix of tenants.

Participants felt that respect, good relationships and networks can support a sense of belonging to a neighbourhood.

There was general recognition to focus not only on appropriate housing structures but also the need for suitable surrounding shared space.

Some participants identified the need for a continued focus on establishing mechanisms by which tenants can get to know each other and take responsibility for the environment in which they live. It was suggested that consideration should be given to the establishment of social enterprises where the tenants can work and be paid for the upkeep of the common environment where they live.

One suggestion was that consideration be given to establishing a caretaker for sites where there are multiple residents. The caretaker could be a resident who takes on responsibility for maintaining the common areas in receipt for reduce rent or remuneration.

It was suggested that the capacity to increase tenant participation in the management of their housing should be a priority. The more tenants are responsible for their living circumstance the more likely it is that they will positively contribute to ensuring that it is a safe and welcoming environment.

Several participants stated that tenants, not Housing ACT or other support agencies or social service providers, should initiate gatherings to build relationships. Other options to involve tenants in improving their local community included:

- establishing community management groups in complexes and units;
- supporting formal engagement processes for private and public tenants particularly in flats and small areas to encourage more communication amongst residents;
- providing 'Good Neighbour' training programs;
- training and utilisation of conflict resolution resources;
- assisting tenant councils to attract participants, when required;
- enhancing tenant participant and neighbourhood development mechanisms;
- improving tenant's quality of life, through a range of programs including community watch projects.

It was suggested that Housing ACT should listen to and acknowledge tenants and be flexible in responding to their needs such, as allowing pets on specific grounds.

Managing conflict

There was differing opinion on managing conflict. Several participants suggested that Housing ACT should train Housing Managers in conflict resolution so that they could have more control over neighbourhood disputes.

Some participants felt that Housing ACT should also take responsibility for the management of conflict and improve safety for residents; including addressing drug use, noise and threats of violence within complexes and other locations. Support agencies suggested that conflict should be referred to other responsible agencies as soon as possible for early intervention.

It was also suggested that consideration be given to assisting tenants in the effective management of disputes. For example through a 'toolkit' to help them manage and resolve disputes.

SUPPLY OF SOCIAL HOUSING

Consumer Forum and Housing Summit participants felt that there was a need to increase the supply of affordable housing options in the ACT. Participants stated that high private rental and housing prices are placing an increased demand on social housing services.

It was suggested that there is a need to recognise an inherent community service obligation in the provision of housing. The ACT Government was encouraged to consider subsidising public housing through a budget appropriation similar to that received for the public transport services provided by ACTION.

A clear message that emerged was an acknowledgement that the principal source of affordable housing supply is public housing. It was felt that public housing remains the most affordable housing option for low-income tenants and households.

Consumer Forum and Housing Summit participants had divergent opinions on expanding joint venture and other public / private partnerships to increase the supply of affordable housing.

Many Consumer Forum participants did not support the expansion of public / private partnerships. Participants were concerned the partnerships may affect access to affordable housing. However, Joint Ventures were generally supported during the Housing Summit.

Private sector participants suggested a strong willingness from the sector to investigate partnerships, noting the need to consider alternative housing products or subsidies to ensure an acceptable rate of return on investment. It was suggested that a range of public / private partnerships could be adopted on a smaller scale to test investment strategies.

Options to increase the supply of social housing

Given the demand it was suggested that there is a need to improve the management of the financial resources of public housing. The ACT Government was encouraged to allocate \$10 million to public housing, as per the Election commitment, as a priority.

Other options raised for increasing the supply of social housing involved policy commitments to:

- ensure all new private sector developments include capacity for 10-15% public housing stock;
- increase public housing stock by 10% per annum;
- retain a significant proportion of public housing in redeveloped government housing complexes; and
- value the contribution of, and increase the resources allocated to, the community housing sector.

A range of alternative housing models were discussed and outlined below:

- build the capacity of the community-housing sector to develop partnerships to grow and manage the asset base. This option may attract profitable lessors to reinvest in the asset;
- further investigation of European partnerships models that transfer public assets to the private or community sector to manage was identified as a potential model for improving access to affordable housing;
- expand the provision of house and land packages to low – moderate-income earners by implementing joint ownership / shared equity schemes; and
- extend the allowable use of non-residential land, such as churches, to provide alternative housing options.

Increase the Diversity of Affordable Housing Options

Consumer Forum and Housing Summit participants agreed there is a need to maintain the diversity and distribution of public housing stock throughout Canberra suburbs.

Options raised to increase the diversity of affordable housing include:

- redeveloping existing properties as dual occupancies;
- demolishing and redeveloping properties on linked blocks, then sell these properties and lease back;
- introducing inclusionary zoning to build up the capacity of community organisations;

- extending the provision of cluster housing to a broader range of the community housing and identified needs groups;
- investigating the scope for extending concessional leases and introducing sub-lease arrangements in public housing; and
- reviewing tenancies every two or three years to allow tenants to identify support needs and consider other forms of housing assistance and tenure.

Government's role in the supply of affordable housing

Participants from both the Consumer Forum and Housing Summit strongly agreed that Government was in a key position to encourage the increased supply of affordable, safe and secure social housing. It was felt that the ACT Government is able to control supply barriers such as land cost and planning regulations.

Some held the view that the ACT Government should be prepared to go into debt to support increased investment in housing and housing support services.

Other suggestions included:

- direct Government investment via a capital injection;
- exploring investment strategies such as entering into shared equity partnerships with tenants, low income earners and retirees with limited capital and utilising personal superannuation;
- examining superannuation investment opportunities to increase the supply of affordable housing
- reducing land prices and land tax;
- sub-dividing land;
- utilising land tax revenues to build houses;
- investigating alternatives such as deferred payments for purchasing land and introducing combinations of land grants and subsidies and an affordable housing levy with a capacity to buy out; and
- providing land grants and subsidies to build up the capacity of community housing organisations.

Participants strongly supported public housing rent being calculated on net income rather than gross income.

PRIVATE SECTOR OPTIONS

A key message was that the private sector is in a position to provide affordable housing options. Some options require further detailed consideration and discussion.

Participants strongly agreed that the cost of construction and labour in the ACT and the high expectations of quality building and outfitting led to higher rents and increased housing prices. Competitive pressures need to be introduced into the rental market.

Participants also agreed that the cost associated with building under the current building and land regulations has contributed to the limited supply of affordable housing options.

Strategies to reduce building costs could include a greater emphasis on the provision of simple, accessible and adaptable dwellings that may provide opportunities for smaller developers. Such constructions could focus on the provision of small, single level and sustainable properties. Higher density buildings were seen as expensive to construct and maintain.

Participants agreed that land tax, stamp duty, cost of construction, in particular single level land tax belongs in the commercial and not the residential sector.

Strategies to enhance the provision of affordable housing in the ACT

Participants identified the need to introduce more flexible planning and housing products that cater for the diversity of community need. Housing that caters for a diverse social mix may include partnerships and across public housing, community organisations and the private sector to provide affordable housing and ensure minimal risks and maximum returns for all parties.

There is scope to develop a longer-term partnership to increase the role and capacity of the not-for-profit sector in the provision of affordable housing. One strategy included reducing the value of land to encourage not for profit organisations to expand their housing stock.

It was agreed that shared equity schemes could be adopted as an option to access affordable housing; schemes could also be available for not for profit organisations.

Other strategies involved developing incentives and strategies to engage superannuation managers to invest in housing. This option could be expanded to self managed superannuation recipients to use their funds to invest housing for example enabling parents of people with a disability to invest in housing as a resource their child.

Other strategies put forward are to make affordable housing available include:

- grant blocks of land to the Commissioner for Housing at no charge to increase the supply of housing through a range of joint venture arrangements;
- develop an affordable housing ballot system for first home buyers and not for profit organisations;
- investigate housing models that partner with investors to provide affordable rental accommodation;
- investigate arrangements with builders who would agree to provide affordable rental accommodation by agreeing to rent properties for ten years; and
- borrow against assets to lever expansion of scarce funding.

It was felt that some of these strategies might require investigation by an economic consultant to determine what financial incentives may be feasible.

An important statement from a participant was adopted as a theme across both the Consumer Forum and Housing Summit - "*don't talk about it, do it!*"