Social housing visions: what tenants and front-line workers value in social housing

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Executive summary

Social housing in NSW, as in the rest of Australia, faces a number of serious challenges. A combination of reduced funding, declining housing affordability in the private market, and increasing social inequality has placed the system under pressure. Public housing authorities around the country are struggling under the burden of ageing assets, falling rent revenue, large waiting lists and increasingly high-need tenants.

In response to this situation, State and Territory Governments around the country have shifted their social housing programs in a more residual direction, targeting allocations to the highest need tenants, diverting applicants to private rental support programs and granting time-limited tenancies to try and encourage tenants to move back into the private market as their circumstances improve. They have also introduced more enforcement-based approaches to anti-social behaviour, shifted an increasing amount of housing to not-for-profit housing providers and engaged in estate renewal programs aimed at upgrading assets and reducing concentrations of public housing.

This project discussed the issues facing the social housing system with tenants and front-line community workers in three locations: one in inner city Sydney, one in the outer suburbs and one in regional NSW. Across the three groups approximately 40 people were involved in the discussions – 29 of these identified themselves as tenants and 11 as support workers. A number of the support workers also turned out to be social housing tenants themselves, so the tenant perspective is by far the dominant one.

We asked them to fill in a survey at the start and finish of the discussions, rating the issues in order of importance. The focus groups themselves discussed each of these issues in detail.

Affordability was near the top of most people's lists. Participants didn't have a great deal to say about this subject – it appears to be something they just take for granted as a core benefit of gaining social housing tenancy.

Security of tenure is also highly valued by the majority of participants. It has become common for governments to talk about social housing as "a pathway not a destination" or a "pathway to independence". However, for social housing tenants it is very clearly a destination. Once they have social housing they have no desire to go anywhere else. This view is based on a realistic assessment of the alternatives on offer. They know that home ownership is beyond their resources while private rental, even if it is available, is neither affordable nor secure. This presents a strong challenge to the current policy direction – if governments don't want social housing to be a "destination", what other destinations do they see for low income households?

A **safe, harmonious community** is very important to participants, and they talk with some passion about safety issues in their communities. However, they see the problem of anti-social behaviour as complex and requiring multiple responses. On the one hand they see much of this behaviour as having its source in health issues such as mental illness and addiction, and these require good support systems to help tenants manage these issues. They also see part of the problem as stemming from poor allocation decisions – for instance, placing young people with mental health issues in complexes where most tenants are frail older people, or concentrating

too many people with drug addictions in one location. They also see that there is a place for strong policing responses – for instance, to address drug dealing in their communities.

There are strong links between issues of **location** and **access to services**. The level of disadvantage amongst social housing tenants means access to various types of support services is crucial. Some of these are the same for everybody – good quality health services, access to shops, good community facilities. Others are very individual – people with children or frail older people need to be close to family members for support, a person with a mental illness may need to be close to a particular doctor they trust and who manages their care, a person in employment needs to have reasonable access to their place of work. This requires a sensitive allocation process, and a process to ensure new tenants have good access to information about their new community and its service networks.

Housing quality is always a popular topic amongst social housing tenants. Many tenants and support workers in our groups had personal experience of the problems of ageing housing and deferred maintenance, and these issues are a source of frustration for many tenants. Many also had a view that the Housing Department doesn't manage its maintenance well, with poor customer service and record keeping, poor quality work and questions over value for money.

Tenants and workers saw that there was a clear trade-off between **choice** and **speed of access**. In general, they felt quick access was the priority for most applicants, given that most were either homeless or in inadequate housing. Their priority was to get somewhere secure and affordable, and they would worry about its quality later. However, there were limits to this. Some reported being offered housing in such poor condition that they preferred homelessness. Others reported that this initial choice could be a cause of regret if they accepted an offer of housing thinking they could transfer later, only to find that transfers were not easy to come by.

There was considerable discussion about the current policy of being allowed one refusal, then having to accept the second offer or be dropped to the bottom of the list. Most felt this was not a genuine choice as they had to decide on the first offer without knowing what the second would be, and without the ability to return to the first if the second was inadequate. This system presented a problem for tenants, particularly given that many of the other issues they discussed could be better managed with a more flexible and sensitive allocation process.

While **customer service** didn't rate that highly with participants of itself, it was clear from the discussions that it was in the background of a number of other issues including responses to anti-social behaviour, access to services, maintenance and allocation issues. Overall they felt that they got a better service from locally or regionally based community housing providers than from the State Government. There is a strong perception of service failure in the State housing system, with high staff turnover, inadequate staff training, a focus on rules rather than people and a strong culture of "gatekeeping". As tenants become more highly disadvantaged, customer service becomes more challenging. It seems that there is much improvement still to be made here.

Social housing tenants highly value the system through which they gain housing. It provides them with a secure, affordable base from which they can address other issues in their lives – settle their children in schools, address their health issues, source training and employment and put down roots in a community. They know this system is not perfect and they have a lot of

ideas for how it could be improved. Their voices need to be heard loud and clear in the current debates about the future of social housing.

1.0 Introduction

Social housing in Australia is at something of a crossroads. A number of long-term trends in the provision of social housing have reached the point where state governments around the country have concluded that major changes are needed. However, state-based reform agendas are hamstrung by a chronic shortage of funds in the system. This funding shortfall means that the only changes available to housing agencies allow them to manage their short-term service delivery issues at the expense of long-term financial viability.

This project aims to bring together two sources of information related to the current state of social housing, with a particular focus on the situation in NSW. The first is an analysis of issues and policy trends in social housing across Australia, drawn from State Government reports and strategies and from academic literature. This scan of issues does not claim to be comprehensive, but is sufficiently wide-ranging as to provide an overview of the issues.

The second is the perspective of approximately 40 social housing tenants and frontline community service workers who took part in a series of focus groups in November 2014. These groups of people at the "coal face" of the social housing system were asked to discuss their views of the key issues and policy directions in social housing, focusing on what they valued and what was important to them.

The intention is to bring a new perspective to the issues facing social housing – the perspective of those who are the intended beneficiaries of the system and those who work with them on a daily basis. This perspective can help clarify what is important in the system and provides some clues as to the future direction of social housing policy.

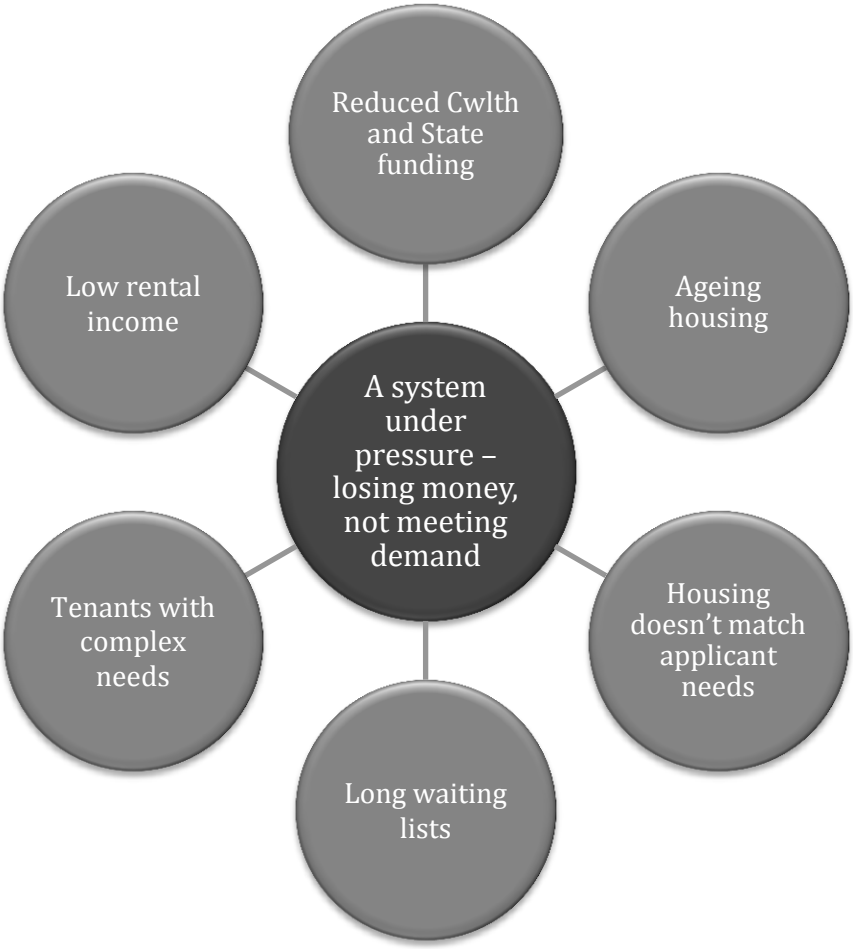
In this section we provide a brief introduction to the current situation in public housing, and an overview of the focus groups and the way the participants saw the issues under discussion. This is followed by more detailed analyses of each of the issues, firstly as discussed in the relevant policy literature and then as discussed by the tenants.

1.1 Social housing in 2014

The social housing system in 2014 could be characterised as a system under pressure. The pressures facing the system are summarised in Figure 1.

The financial pressures on our public housing authorities have been documented by a number of different State Governments. Although the details of State Government public housing finances tend to be a little opaque and figures are not necessarily comparable, the State housing departments and Auditors-General of New South Wales, Victoria, Queensland, Western Australia and South Australia have all identified financial shortfalls, asset management issues and high levels of unmet need in their social housing systems.

Figure 1: A system under pressure



In New South Wales, the Auditor-General identified that the Land and Housing Corporation (LAHC) faced a financial shortfall of approximately $330m in 2012-13, even after deferring around $80m worth of maintenance work. This poor financial position is exacerbated by a poor asset position, with 25% of dwellings (over 36,000 dwellings) over 40 years old and 30-40% of dwellings falling short of the LAHC's "well-maintained" standard. It identified that a substantial proportion of the LAHC's housing was old and in need of substantial renewal or replacement, and that the LAHC was funding its financial shortfall by selling properties. Yet it was only meeting approximately 44% of the state's identified need to social housing (NSW Auditor-General, 2013).

Other states present a similar picture. The Victorian Auditor-General (2012) found as follows:

> Public housing is facing significant challenges. Against a background of finite government resources, demand has grown due to reduced housing affordability and demographic changes such as population ageing, and more and smaller households. Increased targeting of public housing has changed the tenant profile to those with more complex needs and lower incomes. Public housing infrastructure is also ageing, requiring significantly increased maintenance. (p. viii)

This report identifies an operating deficit of $54m in the Victorian public housing system, projected to grow to $115m by 2015. This modest figure masks deeper issues, with 10,000 properties expected to reach obsolescence within four years and an unfunded maintenance liability of $600m on these properties. At the same time, priority applicants for public housing were waiting an average of 8.5 months and other applicants waiting years, and there was a significant mismatch between the type of housing on offer and the households on the waiting list.

The Queensland Department of Housing and Public Works (2012) is in a similar position – an operating loss of $54m in 2010-11 was projected to increase to $140m in 2015-16, 30,000 applicants were on the housing register and there was a 50% increase in maintenance expenditure from 2005-06 to 2010-11. Part of the reason for this deterioration in the Department's financial position is the increasing level of subsidy given to tenants as the tenant profile shifts to lower income and higher need households – average annual subsidy per household increased from $3,708 to $7,253 from 2005-06 to 2010-11. These changes coincided with the introduction of Queensland's "One Social Housing System" reforms which shifted allocations from a wait-turn to a needs-based system and introduced time-limited tenancies.

The difference between the rents paid by tenants and the cost of providing the housing, or the market value of this housing, is repeated in other States. The Western Australian Social Housing Taskforce (2009) identified that tenants paid a total of $156m in rent the previous year, while $115m was foregone through rent subsidies. This picture is even more extreme in NSW, with the NSW Government expected to collect approximately 42% of the market rent on its properties in 2012-13 (NSW Auditor-General, 2013).

The other part of this picture is the reduction in Commonwealth funding for public housing. The NSW Auditor-General identified a reduction in real 2011-12 dollars of approximately 40% from 1995-96 to 2011-12, from over $500m to a little over $300m. This steady reduction over a long period has been a significant contributor to the financial issues faced by State Government housing programs.

It is important to note that these problems are not new. Public housing authorities have been struggling with their inability to meet the level of demand, and with their financial pressures, for some years. A wave of reforms in the mid-2000s, implemented to a greater or lesser extent in various States and Territories, sought to manage demand by moving social housing more fully onto a "welfare" footing.

In NSW these took the form of the Reshaping Public Housing reforms in 2005 which shifted allocations to a needs basis, introduced time-limited tenancies and introduced increased rents to tenants on "moderate" incomes. These reforms aimed to ensure that vacant housing went to the highest need households and that as households' circumstances improved they would be either encouraged or required to move back into the private sector.

These reforms have been implemented with limited success. On the one hand, the proportion of allocations to tenants in "highest need" as defined by the Australian Institute of Health and Welfare has gone from 22% in 2005-06 to 66% on 20012-13. On the other hand, despite the government's policy intent the policy changes have not resulted in increased turnover of public housing tenants – the number of new allocations has reduced from 8,700 in 2005-06 to 6,200 in 2012-13 (Shelter NSW, 2014).

This experience has been repeated to a greater or lesser extent in other states and territories. It seems likely there are two reasons for this. One is internal to the public housing system – needs-based allocation operates over time to shift the profile of public housing tenants towards higher levels of disadvantage, reducing the chance that they will be able to move on to other forms of housing. At the same time, the costs and availability of private rental and home ownership have placed greater limits on the private housing options available to low and moderate income households (see for example Wood, 2014).

At the same time the financial and asset issues have gone largely unaddressed in recent years. The various reports from around the States identify a number of temporary and unsustainable responses to these issues, including deferring maintenance and selling housing to meet financial shortfalls. The State governments of South Australia, Victoria, Queensland and Western Australia have, like the NSW Government, identified these as unsustainable and have undertaken to develop more comprehensive strategies.

1.2 Current reform directions

In November 2014 the NSW Government released a discussion paper, *Social Housing in NSW* (NSW Government 2014), as the first step in articulating a policy direction in response to the recommendations of the 2013 Auditor-General's report.

They have been anticipated in this process by a number of other State governments. The South Australian Government released *Connecting People to Place: Housing SA Blueprint 2013-18* in 2013. In the same year the Queensland Government released *Housing 2020: Delivering a flexible, efficient and responsive housing assistance system for Queensland's future*. In March 2014 the Victorian Government released *New Directions for Social Housing: A Framework for a Strong and Sustainable Future* following a process of consultation that began in early 2012. While the Western Australian government has yet to release a detailed social housing policy, in 2011 it released a wider affordable housing strategy which includes a number of initiatives to increase social housing supply and reorient social housing management (Western Australian Government 2010).

These policy statements take place against a sustained backdrop of non-government advocacy for improvement in the social housing system. At a national level, National Shelter, the Community Housing Federation of Australia and Australians for Affordable Housing have consistently advocated for a substantial increase in the supply of social housing and placing of social housing on a more secure financial footing (National Shelter 2012; Community Housing Federation of Australia 2013; Australians for Affordable Housing, 2012). These proposals are couched within a wider framework of reform which includes tax reform, the development of alternative sources of finance for affordable rental housing such as the recently discontinued National Rental Affordability Scheme, the growth of the community housing sector through both funding and stock transfers, and improvements to legislative protection for tenants and to urban and regional planning.

State advocacy reflects some of the same themes with a greater focus on State governments. In the years prior to the release of the Queensland strategy, Queensland Shelter advocated for a substantial increase in social housing supply (Queensland Shelter, 2009). During the consultation process for the Victorian strategy the Tenant's Union of Victoria advocated for a

capital subsidy to promote ongoing growth in social housing supply along with an operating subsidy to meet funding shortfalls, along with improvements to allocation processes and a rethink on the costs and benefits of eligibility reviews (Tenants Union of Victoria, 2012). An alliance of agencies including VCOSS, Council to Homeless Persons, TUV, CHFV, Public Tenants Association, DV Victoria and PILCH (2012) advocated for a 5-point reform package which included the following:

- "Improve housing outcomes", based on affordability, accessibility and appropriateness
- "Invest to fix the underlying financial problems", including a recurrent operating subsidy to meet the shortfall between rents and costs.
- "Go for growth", using whatever opportunities and funding sources are available
- "Help tenants build a better future", by integrating housing and other services, providing incentives for tenants and applicants to improve their skills and employability and a less punitive approach to tenure and income growth.
- "Working together to create lasting change" through the establishment of a cross-sector affordable housing taskforce.

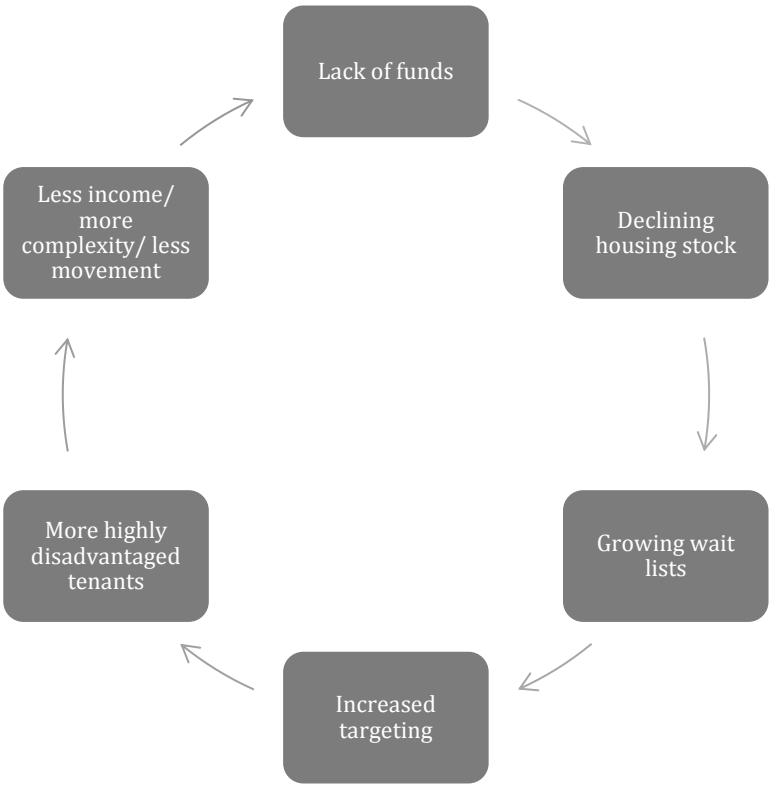
Not surprisingly, the strategies which have eventually emerged have been far less ambitious than the advocates would have liked. While the Western Australian, Victorian and Queensland strategies do include some modest initiatives aimed at producing new social housing, they essentially operate within the existing financial envelope, despite the serious financial problems identified by all three governments.

Instead, the strategies focus largely on operational changes in the way tenancies are allocated and managed, with the main response to the shortfall in operational funding being the move to transfer management of public housing to community housing organisations, which have the ability to attract extra rent revenue by leveraging Commonwealth Rent Assistance. There is a large degree of overlap between the strategies of these three governments and other States that have taken a more *ad hoc* approach to social housing reform. The strategies being widely adopted across the country include the following:

- placing strict limits on eligibility for social housing and allocating housing on the basis of need rather than on a "wait-turn" basis;
- developing centralised application and allocation processes to give applicants easier access to the system;
- diverting applicants into private rental support programs as an alternative to social housing;
- providing time limited tenancies and encouraging or requiring tenants to move back into private sector housing as their circumstances improve;
- shifting housing from government to community management to facilitate access to Rent Assistance and tax concessions and provide more flexible management options;
- reviewing rent policy with a view to capturing a higher proportion of tenant income;
- engaging in large scale estate regeneration projects in partnership with the private sector – with the projects paid for in large part by the sale of a substantial proportion of the redeveloped housing; and
- enforcement-based approaches to anti-social behaviour such as 'three strikes' policies.

These strategies have a lot more continuity with the reforms of the previous decade than new directions. They represent a further step in the direction of operating social housing as a residual welfare measure, characterised by stricter rationing and means-testing, time-limited assistance, gatekeeping and maximisation of "user-pays" opportunities. In the absence of any serious funding reform it also risks creating a vicious cycle in social housing policy, represented in Figure 2 below.

Figure 2: Social housing policy – a vicious circle?



The financial and asset problems identified by the Auditors-General and housing departments of the various states require a significant injection of funds to place the operations of the various social housing systems on a more sustainable footing. In the absence of such funding, housing departments have extremely limited options. The choice they are currently making is to attempt to manage demand through strategies aimed at rationing and gatekeeping. These may have some success in the short-term, although the earlier reforms have already covered much of this ground. However, unless the background and asset issues are also addressed we can expect to be having this same discussion again next decade.

1.3 About this project

This project aims to provide a grass-roots perspective on the current policy direction in social housing. At the heart of the project was a set of three focus groups – one in inner city Sydney, one in an outer-suburban Sydney location and one in a regional city.[1] Approximately 40 people participated across these three groups, including 29 tenants and 11 front-line staff members of community support agencies. In practice, there was considerable overlap between these two groups. In the course of discussions it became clear that a number of those who attended in their capacity as support workers were also social housing tenants themselves, so tenants were by far the predominant voice in the discussions. A number of the tenants also volunteered for local community agencies or acted as informal supporters in their neighbourhoods.

Participants were presented with a brief summary of the material outlined at more length in the preceding sections, and then invited to discuss the key policy directions from the point of view of how they would affect them and the communities they lived and worked in.

At the beginning and end of each session, participants were asked to fill in a short survey, in which they were asked to rate some key objectives of social housing in order of importance. The outcomes as listed in the survey were:

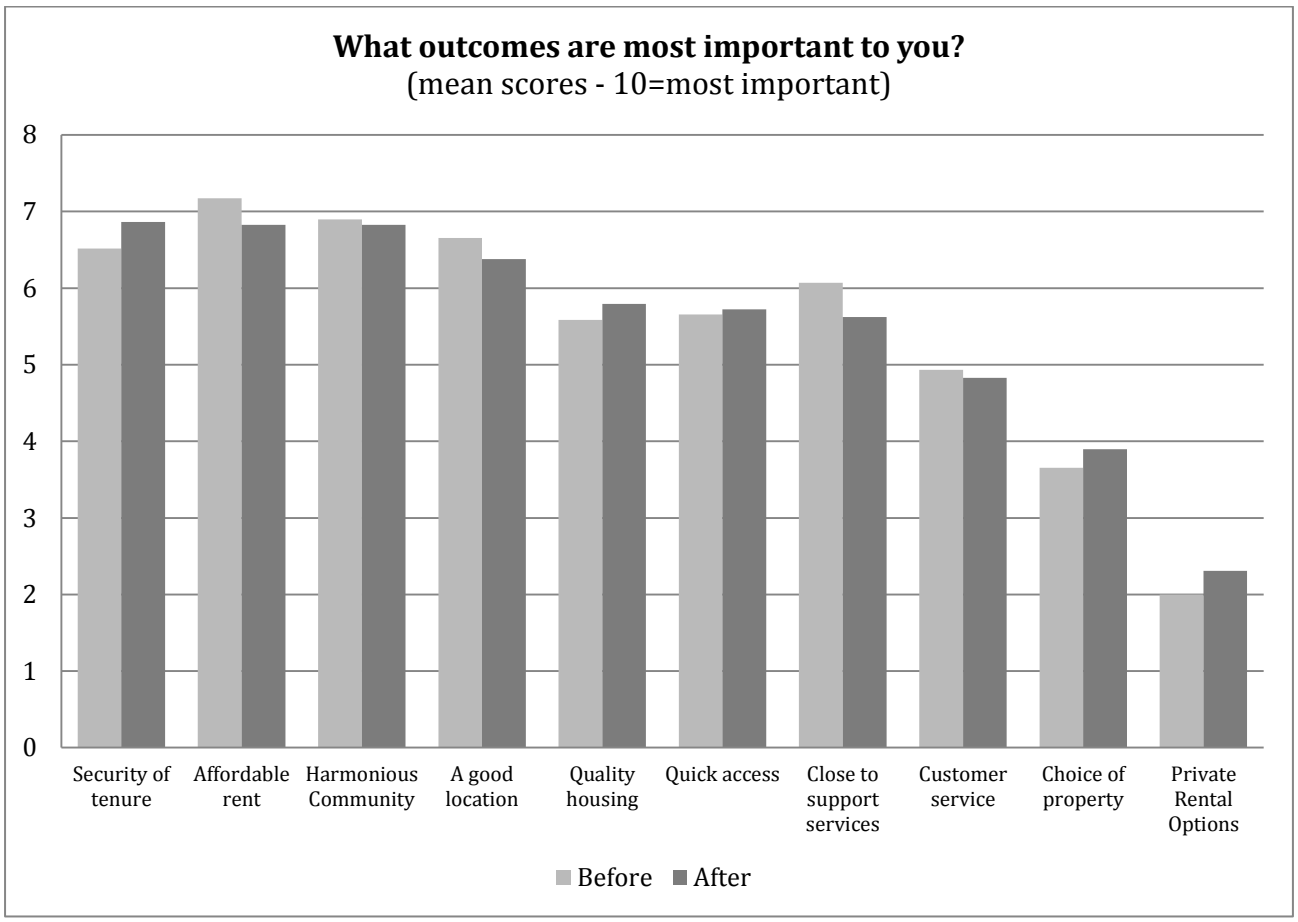
- A good location – close to transport, shops, parks, schools, jobs
- A peaceful, friendly and harmonious community
- A private rental option as an alternative to public or community housing
- An affordable rent
- Living close to affordable support services – e.g. health, family support, counselling etc.
- Choice – the ability to pick and choose between available properties and locations
- Good quality housing – well-built and well maintained
- Good service – a personal, helpful relationship with staff of the housing provider
- Quick access – not having to wait too long for housing
- Security – the ability to stay in the home long-term.

This was a "forced choice" survey in which they were asked to rate the 10 outcomes in order of importance to them. This was completed before and after in case the discussion brought about significant changes in participants' views. 29 participants completed and returned this survey correctly. The results are shown in Figure 3 below. We didn't make any attempt in the survey to distinguish between workers and tenants, and in discussions there was very limited divergence between these two categories of participant.

In the event, the responses showed only minimal change between the beginning and end of the discussion. Participants commented that they found it difficult to choose between the options as they were all important, and this is reflected in the fact that the average scores for seven of the ten items were grouped close together between 5 and 7 out of a possible 10 (with 10 being "most important). Only the availability of a private rental alternative, choice of property and quality of customer service rated below 5 out of 10 in either iteration of the survey.

[1] A planned fourth focus group in a second regional location was unable to proceed.

Figure 3: Survey responses



In the sections that follow, we unpack each of the issues summarised in this simple survey. For each issue, we look first at the context – what the literature says about the issue and the current policy directions that impact on it. Then we look at what the participants in our focus groups said about it and how they saw it. Finally, we make some brief comments about the policy implications of the perspective presented by our focus groups.

We have roughly followed the order of importance represented by the survey responses allowing for the fact that these vary pre- and post-workshop. No great weight is placed on this order given the closeness of the responses, and there are also strong connections between some of the issues. We have also made two adjustments based on the content of the group discussions - private rental options are discussed in the context of participants' views on security of tenure as this reflects most participants' views on this question, and speed of access and choice and flexibility are discussed together as participants discussed them as closely related.

2.0 Affordable rent

"An affordable rent" was rated the most important issue on average in the survey at the beginning of the workshops, and the second most important issue in the post-workshop survey. Seventeen out of the 29 respondents rated it as one of their top three issues before the discussions, and 15 placed it in their top three after discussions.

2.1 Policy context

Affordability is one of the key goals of social housing, and it is arguably a goal social housing providers are largely successful in achieving.

Rents in NSW public housing are calculated as a proportion of the tenants' household income, notionally 25% for low income tenants (the majority of tenants) and between 25% and 30% for those in the "moderate income" range. In practice, the percentages paid by tenants vary according to the source of their income, with some income sources assessed at the 25% or 30% rate while other sources (particularly special purpose payments) are either assessed at a lower rate or excluded from the calculation altogether (Family and Community Services, accessed 2014). Community housing rents are charged on the same basic principle, with some variations including increased payments to take account of community housing tenants' eligibility for Commonwealth Rent Assistance. While we have not found a comparable calculation for NSW, in 2012 Alex Dordevic from the Victorian Department of Human Services estimated that depending on the makeup of their income, Victorian public housing tenants were paying anywhere between 14% and 25% of their total income in rent (Dordevic, 2012).

Social housing is highly successful in delivering affordability to its tenants. While in 2009-10, 60% of low income tenants in the private rental market were experiencing housing stress (paying over 30% of their income in rent) and 48% of low income home purchasers were in mortgage stress, only 1.3% of low income social housing tenants were reported as being in housing stress by the National Housing Supply Council (National Shelter, 2014).

However it has been suggested that this approach to rent calculation has other unwanted side effects. These include:

- Creating a "poverty trap", with the increase in rent payments along with the withdrawal of income support creating such high effective marginal tax rates that tenants have little or no incentive to increase their income. The Tenants Union of NSW (2008) found that under the policies operating at the time, tenants could experience effective marginal tax rates of between 43% and 109% on extra income. This issue has been examined in detail by other researchers who reach similar conclusions (Tenants Queensland, 2012).
- Building in unfairness and inefficiencies within the social housing system as tenants on the same incomes pay the same rent irrespective of the location, size or quality of their housing. This is often perceived to create a perverse incentive for tenants to under-occupy housing as there is not financial incentive to move to smaller housing as their needs change. There is little evidence either way on the actual impact of this issue but it has been cited by a number of researchers and policy makers as an issue requiring attention (Burke, 2012; Tenants Queensland, 2012).

The NSW Government's recently released Social Housing Discussion Paper makes some telling comments about rent policy.

> Alternate rent models could also be used to differentiate access to properties in highly sought after areas. Such models may provide clients the opportunity to make choices as they would in the private market, and thus better prepare appropriate groups of tenants to enter the private market, whether assisted or otherwise.
> Although an income-based rent model ensures social housing is affordable for social housing tenants, it lacks the opportunity for clients to make choices as they would in the private market. The Government is also keen to understand best rent practices in community housing in NSW and elsewhere and whether these could be applied more widely. (p30)

2.2 Focus group discussion

Interestingly, although tenants rated housing "an affordable rent" as among their most important issues, the subject hardly featured in focus group discussions, despite tenants being prompted by the survey, the opening presentation and the list of discussion prompts used to refocus discussion at key points during each focus group.

On the odd occasions when the issue arose it was generally in the context of something else. For instance, in discussions on private rental reported in detail in Section 3.2, the comments need to be understood against a background of affordable public rental – while it is difficult or impossible to find affordable private rental, social housing is affordable by definition for participants. This is the bedrock of their understanding of what social housing is for, and tenants by and large don't question this.

Hence their direct comments on affordability largely focus on marginal issues. Tenants in one of the groups questioned the methodology for calculating the market rent on social housing, when much of that housing is either in locations where there is little private housing, or is not comparable to it in design and physical condition. In another discussion, tenants questioned the fairness of apportioning water rates evenly between tenants where units are not separately metered, when some tenants use more than others.

Participants appeared to have little awareness of the other issues mentioned in the research and in policy discussions. While they were quite happy to discuss the behaviour of other tenants in relation to things like drug use or other forms of "bad behaviour", they had little sense of unfairness in the way rents are calculated. They were also strongly aware of the disincentive to work presented by time-limited tenancies but did not mention rent policy in this context.

2.3 Policy implications

There are two key policy implications to come out of this discussion.

1. Housing affordability is one of the key "pluses" of social housing, and it is important that this not be lost in any reforms.
2. Tenants and others at the coalface of social housing have not engaged seriously with the intricacies of rent policy (which are, after all, very complex) and any major change will take them by surprise unless there is excellent communication leading up to it.

3.0 Security of tenure

Security of tenure was rated overall the fourth most important issue in the pre-discussion surveys, and elevated to top place in the survey taken at the end of the discussions. Both before and after the discussions, 13 of the 29 respondents rated this as one of their top three issues. Here we discuss the issue alongside the issue of the availability of affordable private rental alternatives because in the discussions it was clear that these two issues were linked. Private rental alternatives were clearly at the bottom of the list of priorities for participants overall both before and after the discussions, with 21 out of 29 respondents rating it the least important of the choices before the discussions and eighteen after.

3.1 Policy context

One of the central tensions in current social housing policy is the question of whether social housing is a long-term housing option for low income households or a temporary welfare measure. This tension was identified at least as early as 1992, when the Mant Inquiry into what was then the NSW Department of Housing identified a tension between the idea of "public housing" as a genuine housing option and the practicality of managing a system where there was not enough housing to meet demand, and the response was to ration the housing by limiting eligibility to those on low incomes. He noted that the failure to resolve this tension had led to many problems in the system, including the practice of concentrating public housing in large estates, a confusing allocation process with a mix of priority and wait-turn applications and inconsistency between the difficulty of gaining entry to public housing and tenants' freedom to stay there if they no longer met the original eligibility criteria (Mant, 1992).

In 2005 the NSW Government sought to frame the system more explicitly as a welfare measure through its 'Reshaping Public Housing' initiative (NSW Government, 2005). It tightened eligibility, implemented a needs-based allocation process and granted tenancies on a time-limited basis. Under the heading "End the policy of public housing for life" the government of the day implemented an approach which included the granting of two, five or ten year leases depending on circumstances, with a review of eligibility at the end of the lease period determining if the tenancy would be renewed. These arrangements applied to all tenancies granted from 1 July 2005, with tenancies granted before that date continuing as indefinite tenancies. These changes matched those implemented around the same time in other States and Territories.

The government's intent in introducing these measures was to increase throughput through the system, allowing them to assist more households over time as more tenants moved out of the public housing system at the end of their time-limited tenancy. However, the evidence suggests that the outcome has not matched the intent. The most recent data from the Australian Institute of Health and Welfare indicates that the number of new public housing allocations per year has decreased from just over 8,800 in 2004-05 – the year before the changes were introduced – to just under 6,200 in 2012-13 (Shelter NSW, 2014). In 2008 a review by the Tenants Union of NSW identified that of the just over 3,500 tenants whose eligibility was reviewed in the ten months to May 2008, only 18 were found to be no longer eligible (Tenants Union of NSW, 2008). The NSW Auditor-General (2013) reports that only 2% of tenants on two year leases did not have their leases renewed at the end of the two years, and concludes that the use of fixed term

tenancies "has had little impact on people moving on from public housing" (p. 34). A more recent nationwide review by the Australian Housing and Urban Research Institute (Lovering, 2014) found that across Australia just under 15,000 public housing tenancies ended voluntarily in 2012-13, 4.6% of all tenancies.

There are a number of possible reasons for this. The first is that the process of needs-based allocation means that more tenants are highly disadvantaged on entry, and have only limited ability to improve their circumstances. While in 2004-05 only 23% of new tenancies went to households in "greatest need", by 2008-09 this had increased to over 47% and in 2012-13 it stood at 66% (Shelter NSW, 2014). The Reshaping Public Housing policy explicitly targeted frail older people, people with disabilities, homeless people and families with children (many of whom in practice are sole parents). All these situations place limits on tenants' ability to improve their circumstances over the course of their tenancy. It is also possible that the loss of eligibility creates a perverse incentive for tenants to deliberately keep their incomes below the eligibility threshold in order not to risk losing their housing.

A second explanation for low turnover is that there are simply very limited alternatives available to tenants. Shelter NSW (2014b) reports that across NSW in September 2013 only 7% of homes for sale were affordable to low income households (those in the bottom 40% of the income range) and 28% to people on moderate incomes (in the bottom 60%). Affordability has been declining over the years – in the 12 months to December 2013 median sale prices increased 11.1% across NSW and 15.8% in Sydney. On the surface there is better availability of affordable rental housing, with 26% of all rentals affordable to low income households and 64% to those on moderate incomes.

However, the fact that these rental properties are affordable to those on low incomes doesn't mean they are available. With rental vacancy rates below 2% in many parts of NSW – including most of the Greater Sydney area – there is no guarantee that households exiting social housing could find a rental property, and they are forced to compete for these properties with those on higher incomes who represent a lower financial risk for lessees. In 2012, the National Housing Supply Council found that across Australia there was a shortfall of 539,000 rental properties affordable and available to households in the bottom 40% of the income distribution – this figure was a combination of the shortfall in supply, and the number of affordable properties occupied by higher income households (National Housing Supply Council, 2012, p. 47). Such housing also does not provide a secure long-term option for households, with leases typically no longer than 12 months in duration.

These two factors – the level of disadvantage of households and the lack of affordable, secure alternative housing – tend to keep households in social housing for the long term, whatever governments would prefer. For many households, improving their circumstances is not a realistic option. The minority who could potentially do so are faced with difficult decisions – if improving their income means losing their housing and being forced to rely on an expensive and insecure private rental market, is it worth it?

It has become common in recent years to talk about social housing as "a pathway, not a destination" (e.g. Marmion, 2014). The NSW Government's recent Social Housing Discussion Paper uses similar terms, talking about social housing as providing a "pathway for independence". This terminology is based on the notion that tenants of social housing are in a

position of dependence (even if they are paying full market rent) and that independence equates to sourcing housing in the private market. However all the data indicates that this pathway is presently blocked, and is unlikely to become unblocked by any initiatives taken within the social housing system.

3.2 Focus group discussion

In contrast to the issue of affordability, focus group participants had a lot to say about the issue of security of tenure, and about their experience of the private rental market as an alternative to social housing.

Participants were well aware of the conditions low income tenants face in the private rental market. They identified that the lack of affordable, available housing in the private rental market is the main reason so many people are applying for social housing. They identified a number of failings in the private rental market.

- In general it's not an affordable option for low income tenants. Even where rents are affordable, people on low incomes can't compete against better off potential tenants.
- There are higher barriers for some tenants – for instance, Aboriginal tenants experience widespread discrimination in the private rental market, people with physical disabilities find it difficult to find housing that is physically suitable for them, and young people often can't access housing at all.
- They are also highly aware that private rental housing is not a secure option – even if they can find housing in the private market, they are unlikely to get a lease for more than 12 months duration (and frequently only 6 months) and at the end of this time they can find themselves facing rent increases or having to look for new housing.
- In some locations, local factors make the private rental market even more insecure – for instance, in tourist destinations the holiday season has the potential for greatly increased short-term returns for owners, so tenants can find themselves on a lease which ends in November so the owner can rent the property to holiday-makers over the Christmas period before putting it back on the general rental market in February.

For many tenants, home ownership would be the ideal solution to this problem. However, they are acutely aware of the gap between their incomes and home prices in the areas in which they live. Tenants in one of the focus groups talked of their initial excitement at the creation of a new program in their locality to assist low income home purchasers, followed by disappointment when they discovered that their incomes, as part-time or low-wage workers, were too low for them to qualify.

This means that, in contrast to the wishes of policy-makers, tenants very clearly saw social housing as a destination, as something to be prized and not to be given up lightly. For many this was linked to affordability, but even for those tenants paying market rent security of tenure was an overriding concern. Tenants wanted somewhere they knew they could stay as long as they needed to, a place to call home rather than simply a temporary roof over their heads. This concern was particularly strong for tenants who faced the risk of losing their status in the social housing system, but also extended to those

> "I was very stressed out, not knowing if my tenancy would be renewed" – *Tenant discussing review of a time-limited tenancy*

who were housed under head-leasing programs where even though they had a reasonable expectation of being able to find other housing the process of moving presented significant challenges.

For many, this was a crucial element in living a good life. For instance, one tenant who had overcome an addiction and was working full-time while living in social housing was concerned about the stress of losing her housing and its potential impact on her recovery and the gains she had made. For her, the stability of social housing was a crucial element in helping to solve other serious life issues, and she was not a lone voice in this regard. Many participants spoke of the importance of stability and security for people with chronic mental health conditions, and risk that insecurity created for relapses or intensified illness. Other tenants talked of the opportunity their social housing provided to get their children settled in school – especially important for a number of participants who had children with learning disabilities. They saw clearly that this kind of stability was not on offer in the private rental market, and returning to that market would have a negative effect on their children. For some, particularly those whose children had ongoing disabilities, this extended to succession of tenancies for these children.

> "Why can't they have the security of knowing if anything happens to me they will be safe?" – *Tenant with adult children with disability*

Given these considerations, it shouldn't come as any surprise that tenants will often do all they can to avoid losing their tenancy. Some tenants spoke of themselves, or others they knew, refusing extra work or otherwise lowering their income to make sure they would be under the eligibility limit as their review date approached. This should not be understood as dishonesty or as "rorting the system". These tenants are doing what they need to do to sustain secure housing for themselves and their families. In the knowledge that they will never be able to afford their own home, and that the private rental market is a poor long-term option, they are making sure they can continue to access the only realistic, secure option available to them.

3.3 Policy implications

Feedback from participants in our focus groups indicates a major challenge for policy-makers who would like social housing to be a "pathway, not a destination". If social housing is not the destination, then what is? Participants were saying loud and clear that no other realistic destination is currently on offer.

This is not a problem which can be solved through changes to social housing policy. Rather it is a wider system issue, requiring significant and complex changes to the way the housing market in Australia is structured including changes to taxation, land supply and land tenure arrangements. These changes are not currently on the agenda of any government at national, state or local level.

In the absence of these changes, the notion that social housing is a temporary option for low to moderate income renters requires rethinking. The current approach produces greatly increased stress for vulnerable tenants without achieving the result of increased turnover in social housing. Intensifying efforts in this direction is likely to increase tenants' stress, but still unlikely to produce the desired result.

4.0 Harmonious community

"A peaceful, friendly and harmonious community" was rated as the second most important issue in the pre-discussion surveys, and equal second in the surveys at the end of the discussions. Fifteen out of the 29 survey respondents rated it in their top three issues before the discussions and 16 after the discussions.

4.1 Policy context

In recent years State and Territory governments have begun to introduce new approaches to anti-social behaviour in social housing. At the time of writing Western Australia, the Northern Territory, Victoria, Queensland and Tasmania have all introduced policies based on the "three strikes" principle (Walter, 2014). While there are variations between jurisdictions, these policies typically involve the following elements:

- A fairly broad definition of "anti-social behaviour", with gradations in seriousness from the most serious forms of behaviour (violent, threatening or serious criminal behaviour) down to the least serious (which may include excessive noise or a messy yard).
- A general approach which involves tenants being given two formal warnings in the event of anti-social behaviour, with a third incident within a defined period resulting in eviction.
- However, the detailed policies generally vary this approach depending on the seriousness of the offence – a serious incident may result in immediate eviction, while minor incidents may result in an informal warning before formal notice of a "strike" is given.
- In Victoria this is linked to the development of a "neighbourly behaviour statement" which describes a set of behaviour expectations which are mandatory for all tenants.

These policies have largely been introduced in the absence of any clear evidence or information. No State or territory government has released any data on the prevalence of anti-social behaviour in its housing, and there has been no independent evaluation of the success or otherwise of either the recent "three strikes" approaches or the approaches that preceded them.

The closest to such a review that appears to be available in the public realm is a 2013 inquiry by the Western Australian Equal Opportunity Commission into the operation of the policy in Western Australia (Equal Opportunity Commission, 2013). This inquiry was prompted by an increased number of complaints to the Commission following the introduction of the policy and a decreased willingness by the WA Housing Department to work with the Commission to resolve complaints. The inquiry included a review of 46 cases which had come to the Tribunal related to the policy, a review of interstate and international approaches, and a series of forums hosted by Shelter WA.

This report is critical of the Western Australian policy and its implementation, finding that its operation involved systemic discrimination against people with disabilities (particularly mental health conditions), Aboriginal and Torres Strait Islander people, women experiencing domestic violence and older people. It reported a number of concerns about the implementation of the strategy, including lack of clarity about the investigation process for complaints of anti-social

behaviour, concerns about the application of the approach to minor behaviours which in many cases just appeared to be "normal life" (e.g. having a party, children crying), the lack of a clear review process to rectify incorrect decisions, and the application of a legalistic approach to situations which may be better resolved through appropriate support (e.g. a deteriorating mental health condition or a domestic violence situation).

The Commission recommended that the approach shift from one focused on legal process and eviction to one focused on sustaining tenancies. This recommendation reflects the widely held view amongst researchers and practitioners that legalistic approaches to anti-social behaviour not only have negative consequences for disadvantaged tenants (e.g. Povey, 2010) but are of limited effectiveness. In a 2003 review of anti-social behaviour management strategies around Australia, Jacobs and Arthurson (2003) found the following.

> The most successful housing management practices were widely reported to be those where housing staff worked directly and informally with tenants and used their knowledge of a locality and individual tenants to inform their decision-making. The benefit of having long term staff, so that relationships based on trust can be established, was seen as pivotal. Also apparent from the two case study investigations was the importance of having in place effective communication and publicity strategies….
> Holistic approaches and inter-agency partnerships were viewed as most effective and these arrangements were seen as a means to generate mutual respect and understanding across professional boundaries. However, a careful balance is required to ensure that inter-agency arrangements are not too formalised and bureaucratic….
> However, adopting a more holistic approach to ASB requires a range of skills and expertise (mediation skills, community participation and welfare support). It is important therefore, that housing staff who are currently being asked to perform this role are supported with specialist training and the necessary resources. This is paramount, as increasingly the tenants who are now housed by state housing authorities have needs that require a high level of intensive support. (pp. 35-37)

A later AHURI project (Habibis et al, 2007) developed a detailed practice guide to tenancy sustainment in Australian social housing.

Many local government housing services in the United Kingdom operate under an approach which combines the use of legal strategies (including formal behaviour agreements and anti-social behaviour orders with the threat of eviction for breaches) with intensive support provided through what are known as Family Intervention Projects. A number of independent evaluations of these services (Nixon et al, 2009; Nixon et al, 2006; Pawson et al, 2007) found high levels of success with tenancies sustained and significant reductions in the problems which had led to the initial concerns.

While these approaches combined formal contracts and agreements with intensive support, the evaluations found that these agreements had little impact on tenants, with most having little or no awareness of the contents of their agreements (Nixon et al, 2009). By contrast the tenants had a high level of awareness of, and appreciation for, the efforts of the support workers and it was these efforts which appeared to be most effective in actually resolving the issues that were leading to what was perceived as anti-social behaviour. Habibis et al (2007) comment in the Australian context that while these formal legal processes may be of value in "bringing tenants to the table" and commencing the process of addressing the issues, they are of limited value in actually bringing about behaviour change.

Previous projects conducted by the authors on behalf of Shelter NSW have identified anti-social behaviour as a key concern for social housing tenants in NSW (Eastgate and Rix, 2012; Eastgate, Rix and Johnston, 2011). Tenants interviewed in both these projects identified that the move towards needs-based allocation had led to worsening safety in their communities and an increase in anti-social behaviour, and that part of this could be sheeted home to failings in the support systems for these tenants – for instance, failings in the provision of mental health services or drug and alcohol rehabilitation.

The NSW Government's Social Housing Discussion Paper identifies anti-social behaviour as an issue that needs to be addressed. It discusses the issue in the following terms.

> Most social housing tenants are law abiding and contribute positively to their communities. However, the small minority who do not abide by these expectations can diminish the peaceful enjoyment of the neighbourhood and create unfair stigmatisation of social housing tenants. Antisocial and illegal behaviour can impact on the desirability and value of social housing dwellings. This is especially true for illegal behaviour where both social housing tenants and private occupants may experience severe disturbances and fear for their own, and their family's safety. (p. 27)

While the paper does not outline a proposed approach, it references the Victorian and Queensland "three strikes" approaches and Victoria's "neighbourly behaviour statement" approach, and suggests that in the future the social housing system "should evolve so that in the future social housing creates clearer expectations and recognition of responsible tenant behaviour." (p. 30)

4.2 Focus group discussion

Issues of safety, community harmony and anti-social behaviour were guaranteed to get tenants talking in all three of our focus groups, as they have been in the previous projects carried out by the authors as discussed in Section 4.1.

"I used to invite people over to my home but now I'm ashamed to" – *Inner city tenant*

Many longer-term tenants felt that the quality of relationships between neighbours had declined over the time they had been living in social housing.

Discussion tended to focus mostly on two issues – mental illness, and sale and use of illicit drugs. Tenants' attitudes varied between these two issues. They understood clearly that people with mental illness needed treatment and support and should not be punished for their behaviour. Most, although not all, were prepared to extend this tolerant analysis to people who experience drug addiction. However, they expressed a high level of concern and intolerance about drug dealing in their neighbourhoods.

"You really need someone to pay attention to this. Why should the whole community suffer for the unmet needs of a few?" – *Inner city tenant*

As a consequence of this view, discussions around mental health focused almost exclusively on making sure the support system was working. Participants (both tenants and workers) expressed the view that the costs of a good community mental health system would be more

than paid for by savings in other health and community programs. One of the consequences of failure in this system is that poor mental health can lead to anti-social behaviour, and other tenants suffer the consequences. Tenants' tolerance is tested when mental health conditions go untreated and bring continued disruption to neighbours. On the other hand, there was some understanding that treatment is not necessarily an instant solution, that treatment regimes take time to have an effect and people can relapse. These issues are discussed in more detail in Section 6.2 below.

> "Sometimes people just need time" – *Community Support Worker*

There were some commonalities between participants' approach to this issue and to the issue of drug addiction. For instance, some participants talked positively about the benefits of harm minimisation approaches such as the installation of sharps bins and better security in larger complexes. They also talked of the need for better treatment and rehabilitation programs for people suffering addiction. However, many also held the view that these programs wouldn't work for everyone, since some people refused to cooperate.

However, participants became much more heated about the issue of drug dealing in their communities. Many experienced this as a daily reality in their neighbourhoods, with certain homes well known as sources of illicit drugs because of the regular coming and going of customers. This was the cause of both annoyance and fear for tenants.

Tenants expressed annoyance because they saw this as criminal activity going on under their noses, and they perceived that little was being done by either police or the Housing Department to combat it. They also saw it as "importing" a problem – drug users who did not live in their neighbourhood would come into it to access drugs, then take them in the neighbourhood and leave their needles or other paraphernalia behind.

This tended to leave them with a sense of powerlessness, and also a certain degree of fear. Many talked of having reported the situation to police, but not seeing any follow-up action despite what they considered as clear evidence. There was also fear associated with this, as they were concerned that if they reported issues to police, their drug dealing neighbours would work out who had made the complaint and threaten or harass them. In some cases the resulting frustration led residents to take the issue into their own hands and confront those engaging in the behaviour, often at serious risk to their own safety.

Tenants who discussed these issues often felt perplexity at the responses to the issue. On one hand, they acknowledged the difficulties involved. Without clear evidence, neither police nor the Housing Department were seen as being able to act, either to arrest or evict the offending tenant. However, there was bafflement that what was crystal clear to local residents was not so to the authorities who had the power to act.

Another source of perplexity related to this issue was the fact that tenants perceived inconsistent responses. While they saw some tenants get away with what they saw as flagrant illegality, others were evicted for comparatively minor issues. Tenants value consistency and have a clear sense of what is important for their safety and wellbeing and what is simply an annoyance.

The other issue that came up in relation to community harmony was the issue of allocation policies and processes. Two issues frequently came up.

- The issue of appropriate mixing of tenants in complexes. A common complaint of tenants was that housing which they had understood as being designed and provided for older people was being allocated to younger people with chronic mental health or drug problems. This created issues of safety and fear about safety for older tenants, who felt powerless and vulnerable. This issue has been a repeated theme across a number of our projects.
- A related issue is the perception some tenants have that anti-social behaviour, and drug abuse and illicit drug dealing in particular, can create a negative cycle in a community. Once a community gets a reputation as a "place of drug addicts" (as one tenant put it) more stable tenants will leave if they get the chance, and new applicants will do everything they can to avoid being allocated housing there. This was seen as leading to a downward spiral in the quality of community life. Tenants and support workers saw the need for a more carefully planned approach to allocation, tenancy management and to the provision of community support in such communities to either prevent this happening, or to improve the situation over time.

4.3 Policy implications

Social housing tenants and the support services that work with them are clearly concerned about issues of anti-social behaviour and agree with policy-makers that it needs to be better managed than it is now. However, they have a more complex and nuanced view than is evident in much of the public discussion. They see clearly that the issues are not simply about tenants' behaviour, and will not be solved by policing-type approaches alone. They see that enforcement strategies are often ineffective as there are limits on the ability of police and other authorities to gather evidence of criminality and hence to act. They discuss the need for:

- Good support services, to address the issues such as mental illness and drug addiction that are behind much of the anti-social behaviour.
- Better allocation processes to ensure that vulnerable tenants, such as frail older people, are not put at risk and to ensure neighbourhoods don't become dumping grounds for "problem" tenants.
- Prevention and harm minimisation mechanisms, such as the placement of sharps bins and the provision of increased security in larger unit complexes.

Anti-social behaviour is a complex issue, and it is often a symptom of other social issues rather than a simple problem of "bad behaviour". Hence it requires a complex, multi-faceted response rather than a "quick-fix" solution.

5.0 A good location

"A good location – close to transport, shops, parks, schools, jobs" was rated just slightly lower than the top three items – it rated third most important in the pre-discussion survey and fourth most after the discussions. Eleven respondents out of 29 rated it as one of their top three issues in the pre-discussion surveys, and the same number after the discussions.

5.1 Policy context

Housing location is widely considered to be a key consideration both for policy-makers and for individual tenants. National Shelter (2012) defines well located housing as "located close to services and support networks, to job opportunities, to transport networks and to social and leisure activities" (p. 2). Shelter NSW (2014) puts it this way:

> Living in poor quality housing, or living in neighbourhoods that are unsafe or have poor public transport and few links to jobs, schools and services can lead to problems that make life difficult…. Good housing is also about neighbourhoods that are good places to live. It's about planning places that encourage connections between people and services, and between people. (p. 2)

The Mant Inquiry (Mant, 1992) identified that one of the consequences of the failure to resolve the question of whether the State housing program was "public housing" available to all, or "welfare housing" available only to the most disadvantaged, as that public housing and hence disadvantage had become concentrated in particular locations.

Two decades later there have been some efforts to change this situation through estate redevelopment projects in some locations and a sales program, but the picture is still similar. The recent social housing discussion paper notes that there are approximately 100 public housing estates in NSW (defined as communities where the housing is predominantly public rental) and that about 30% of public housing is in these estates. However it is not clear precisely how these are defined and it is possible this understates the level of concentration in some locations such as inner city communities featuring high rise public housing complexes.

There is a large literature around the issue of concentration of public housing, and this is reviewed in more detail in a recent report published by Shelter NSW, *Issues for tenants in public housing renewal projects: literature search findings* (Eastgate, 2014). The current state of the literature could be summarised as follows.

- Whenever tenants on public housing estates are asked what they think of their communities, they report regarding them as good places to live with a strong sense of community, even though they acknowledge there are problems with issues such as crime, anti-social behaviour and unemployment.
- However, policy-makers, the media and the wider community tend to regard these places as "problem" locations characterised by crime and social dysfunction, and hence to see them as problems which need to be solved.
- There is a voluminous literature about the concept of "area effects" – that is, the idea that living in an area of concentrated disadvantage compounds that disadvantage. Advocates of this idea suggest that living in such a location deepens disadvantage through a number of processes, including a lack of positive role models, a lack of services or poorer quality services because community members lack the financial and political resources to attract such services, a lack of economic and employment opportunities because of the overall level of poverty, and the effects of stigma. This set of ideas has driven policy in the direction of reconfiguring public housing estates as mixed tenure communities.
- However, this concept is contentious and many researchers have suggested there is little evidence that area effects actually exist. The bulk of the research indicates that the

introduction of mixed tenure has limited benefits to social housing tenants, that the effects of role modelling and the ability of the reconfigured community to attract better services have not generally eventuated, and there are costs to tenants in this process in terms of disruption of relationships, dislocation of those tenants who are forced to move to new locations, and in some cases loss of services as the level of local disadvantage no longer warrants the placement of some government services in the location.

- Despite the lack of evidence for the benefits of this strategy, it remains the preferred approach of state governments as they attempt to redevelop their housing. It seems likely that in practice this approach is driven as much by economics as by social considerations – housing redevelopment is costly and in an environment of constrained funding public housing authorities need to sell some of the redeveloped properties to help pay costs.
- There is strong evidence that the most effective means of building safer communities and improving the quality of community life is the process often referred to as "community renewal" – deliberate and concerted attempts over a number of years to build collaboration between local organisations and services and to directly involve residents in initiatives to improve their communities.

Although the NSW Government's recent social housing discussion paper discusses the issue of housing appropriateness and the sustainability of the system, it does not address locational issues and there is little reference to this issue in the paper or the accompanying materials.

5.2 Focus group discussion

For tenants and front-line workers, there was a strong connection between their ideas of a "good location" and the issues of community harmony discussed in the Section 4, as well as the issues of access to services discussed in more detail in Section 6. For them, a good location was one with a good quality of neighbourhood relationships and freedom from anti-social behaviour, and one where they have good access to services.

As mentioned in Section 4.2, there was a strong sense amongst tenants that the communities where they lived were in a poorer state than when they arrived. This was partly a comment on the people who live there – far fewer are working, there are fewer children and more people with mental health conditions or addictions.

> "(Our suburb) has changed – in the early 80s the kids went to uni and went places, nowadays the kids are not able to do that, they don't have any hope" – *Outer suburban tenant*

> "When we first moved in everyone worked together, now people don't want to get involved. Maybe some are afraid to get involved." – *Outer suburban tenant*

This limits the interaction and neighbourliness which they saw as a feature of these communities in earlier decades - more of tenants' energies now go into addressing their own personal issues. It has also made it much harder to sustain local organisations and local action to improve the community, even as this action becomes more needed. These changes were seen as partly due to general social changes and partly due to changed allocation processes.

Tenants perceive that the State Government takes less interest in their communities than it once did. This is reflected both in a decaying physical infrastructure and less care of the environment (rubbish in the streets, poorly maintained houses) and a physical withdrawal as Departmental officers are perceived as largely absent and inaccessible.

Tenants and local agencies alike identify many of the same elements of a good location as those in the literature. These elements include:

- access to key facilities including shops, health facilities, schools for those with children and recreational activities
- access to good quality public transport – this can make up to a large extent for any specific needs which cannot be met in their local community
- access to employment.

While much of this is generic, individual tenants also have particular needs. For instance, a tenant who is employed needs reasonable access to their particular place of work, although tenants recognise that they may need to commute like any other worker. A tenant with a mental illness needs access to good mental health services, but if they have established relationships with a particular doctor, for instance, it can be highly disruptive if they are forced to change doctors to access housing, and this can lead to a deterioration in their condition. For others, being close to family members can be crucial – this is particularly the case for parents with children who may rely on the support of family members, or for older people who may rely on the care and support of their children as they become frail. These requirements are very individual and it is important that as the social housing system focuses on housing more highly disadvantaged tenants, allocation processes are sensitive enough to take account of these individual needs.

The other point that participants made about this subject was about the importance of good information. Because of the concentration of public housing in particular locations and the shortage of supply, for many tenants being allocated social housing involves moving to a new community. This transition is made much easier if they are provided with good information about the community they are moving to. Many tenants have limited internet access and also increasingly limited English literacy which makes face to face information provision and the early development of local contacts of particular importance.

5.3 Policy implications

There are two key policy implications arising out of this discussion.

- It is important to continue efforts to improve service delivery and community life in communities where there is a lot of social housing. The quality of community relationships is a key positive which older tenants feel has been lost from their communities to some extent and there are effective, well tried means available to improve this situation.
- Allocation processes need to be sensitive and individualised to ensure the best fit between the tenant and the community into which they are being placed.

6.0 Access to support services

"Living close to affordable support services – e.g. health, family support, counselling etc." rated fifth out of the ten issues in the pre-discussion surveys, but dropped to seventh after the discussions. Nine out of the 29 respondents rated it in their top three issues before the discussions, but only five did so after the discussions. Access to support services is closely related to quality of location, discussed in Section 5 above.

6.1 Policy context

The increasing tightening of eligibility criteria and the use of needs-based allocation processes has meant that over time the profile of social housing tenants has become more disadvantaged. In 2012-13, just over 66% of new allocations were to households classified as in "greatest need" (classified as those who were homeless, in unsafe or inappropriate housing or paying extremely high housing costs) and just under 70% were classified as having "special needs" (that is, in addition to low income they were of Indigenous origin, had a disability or were under 24 or over 75) (Shelter NSW, 2014).

The Australian Institute of Health and Welfare (2013) reports that only 22% of social housing tenants responding to the National Social Housing survey were in the workforce, with 15% actually working and only 5% in full time employment. This is reinforced by both the NSW Auditor- General (2013) and the 2014 NSW Government social housing discussion paper, which confirm that over 90% of social housing tenants had a Centrelink payment as their main source of income.

The Australian Institute of Health and Welfare (2013) reports that social housing tenants make use of a wide range of support services. Figure 4 (on page 24) summarises the main types of services used.

The high level of disadvantage experienced by social housing tenants and their use of services suggest that good access to services is of central importance to their wellbeing. Access to health services (both medical and mental health) clearly tops this list by a long way but other types of service are also of importance to many tenants.

The AIHW reports that overall tenants are likely to be satisfied with their access to these support services: [2]

> The importance of proximity to facilities or services was highest for:
> • emergency services, medical services and hospitals (96% for PH, 93% for SOMIH and 94% for CH)
> • shops and banking facilities (92% for PH, 87% for SOMIH and 93% for CH)
> • family and friends (92% for both PH and CH, and 90% for SOMIH).
> The importance of proximity to facilities or services was lowest for:
> • child care facilities (44% for PH, 60% for SOMIH and 42% for CH)
> • education and training facilities (60% for PH and CH and 71% for SOMIH). (AIHW, 2013, p. 28)

[2] PH=Public Housing; SOMIH=State Owned and Managed Indigenous Housing; CH=Community Housing

Figure 4: Social housing tenants' use of support services

	NSW (%)	**Vic** (%)	**Qld** (%)	**WA** (%)	**SA** (%)	**Tas** (%)	**ACT** (%)	**NT** (%)	**All** (%)
Drug and alcohol counselling	3.6	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	**3.1**
Mental health services	20.2	21.5	17.4	19.1	19.5	16.1	15.9	10.2	**19.4**
Health/medical services	50.7	56.3	54.3	50.6	52.8	53.5	47.4	53.4	**52.6**
Life skills/personal development services	4.3	n.p.	7.5	n.p.	n.p.	n.p.	n.p.	n.p.	**4.6**
Aged care	8.5	n.p.	9.3	n.p.	n.p.	n.p.	n.p.	13.6	**8.5**
Information, advice and referral services	9.1	9.9	10.9	11.0	9.7	8.6	9.8	n.p.	**9.8**
Day-to-day living support services	8.0	10.0	12.2	11.7	n.p.	9.2	9.2	7.9	**9.4**
Residential care and supported accommodation services	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	**3.0**
Services that provide support for children, family or carers	6.0	8.8	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	**6.7**
Training and employment support services	6.7	9.5	n.p.	n.p.	n.p.	n.p.	8.6	n.p.	**7.1**
Financial and material assistance	6.3	10.8	n.p.	n.p.	n.p.	n.p.	7.7	n.p.	**7.1**
Other support services	6.7	8.9	n.p.	n.p.	n.p.	n.p.	7.2	n.p.	**7.2**
None of the above	38.4	33.5	34.0	35.2	34.9	37.1	41.1	37.9	**36.1**

Source: Australian Institute of Health and Welfare, *National Social Housing Survey: Detailed Results 2012,* Cat. no. HOU 272. Canberra, 2013, table 4.2, p. 64. 'n.p.' indicates data is not publishable because of small numbers, confidentiality or statistical unreliability.

They survey tenants' satisfaction with their access to a range of services and facilities including shops and banking, public transport, parks and recreational facilities, emergency services, childcare, education and training, employment, community services and family and friends. In each case, the level of satisfaction exceeds 80% for both NSW tenants and nationally.

The present authors have examined this issue in more detail in an earlier report for Shelter NSW, *We Look After Our Neighbours Here* (Eastgate and Rix, 2012). This earlier report highlights a number of issues which tenants regard as important in seeking support.

It identifies that tenants are most likely to look first to family and friends for support, and many tenants are very active as informal carers in their community. It is important that the provision

of more formal supports works closely with these informal supports rather than cutting across them.

> Tenants often expressed their frustration about the formal service system because they felt they were not treated with respect, and that service delivery was too unreliable and intermittent. However, they were also able to tell stories in which the service system had responded well to their needs. The key elements of a good response were:
>
> - being treated respectfully, as people who knew their own needs
> - receiving a consistent, flexible service which met their actual needs in a way they were happy with
> - responsiveness, particularly in crisis situations or situations of conflict between neighbours
> - provision of good information about service availability in a way that meets the needs of people who may not have high levels of literacy. (p. 2)

In 2006 a number of NSW Government departments signed up to the "Housing and Human Services Accord" which aimed to better coordinate service delivery to NSW social housing tenants. This agreement included an overall set of principles and protocols for working together and a number of specific projects aimed at improving service delivery (Eastgate and Rix, 2012).

While much of this work had only limited success, and most of it has since lapsed with the passing of time and changes to NSW Government departmental structures, the shared work on mental health between various agencies of Family and Community Services and the Department of Health has continued to produce good results. The main implementation vehicle for this partnership, the Housing and Support Initiative (HASI) was independently evaluated in 2012 (Bruce et al, 2012) and rated very highly on a number of indicators of success, including reduced hospital admissions, improved mental health and tenancy sustainment.

The NSW Government's social housing discussion paper acknowledges this level of support need, and its "Pillar 1: A social housing system that provides opportunity and pathways for client independence" reflects an approach to these issues focused on seeing support as a means of transition to independence, while acknowledging that some tenants may always need some level of support. Specifically, the paper suggests the Government proposes to do the following:

- "Develop a range of products and services, which connect social housing tenants with employment, education, training and other community engagements;
- Strengthen partnerships with other government agencies, non-government organisations and the private sector to improve employment, education and training opportunities for social housing tenants; and
- Where appropriate, more actively support clients to transition out of social housing." (p. 20)

6.2 Focus group discussion

As mentioned earlier, this issue should be understood as closely related to the two preceding issues – community harmony and good location. Good access to community and support services are part of what makes for a good location, and are a key element in preventing and addressing anti-social behaviour.

Participants commented that access to secure housing in itself helps people to improve many aspects of their lives – providing stability to help people address mental health issues, get

children settled in education and so on. However, for many tenants, this is not enough in itself, and specialist services are needed.

Participants made a number of points about the availability of support services.

- Overall, most of them felt that the support services people need are available in some form, but the service system can be difficult for people to navigate, particularly when they move to a new area. This means that good information and good coordination between services is very important. A housing provider can be a key player in this – since they have assessed tenants' needs as part of the application and allocation process, and have allocated them into a particular location, they are well placed to help these tenants make connections with the other services they need.
- Some people are likely to need some form of support for their whole lives – for instance, people with mental health conditions may not fully recover, and people with disabilities are stuck with them for life. However for many – perhaps most – support can be staged and scaled down over time as people stabilise their lives.
- Participants stressed the importance of community-based and preventive or early intervention services. These can address issues as soon as they arise and prevent people's situation deteriorating to the point where they lose their housing or are hospitalised. This may involve extra expenditure up front, but saves money in the long run.
- Many tenants also thought that there may be a need for some tenants to have access to residential support services before they are placed in longer term social housing, to address issues such as active drug addiction or mental illness which could make their tenancy unsustainable or present a stress or risk to their neighbours.

Some participants observed that in some cases people with serious life issues were "dumped" in social housing without adequate supports – often in the least desirable areas where housing becomes available most quickly. From their point of view, this is a recipe for failure as these tenants struggle to sustain their tenancy and end up back in homelessness. Housing agencies which are well connected into the service system should be well placed to avoid this problem and ensure as far as possible the seamless articulation of housing and community support for highly disadvantaged tenants.

6.3 Policy implications

As social housing allocation focuses increasingly in housing those in highest need, the link between housing and support services becomes more important. This is essential for the wellbeing of individual tenants and for the livability and harmony of neighbourhoods. Housing agencies are well placed to play central role in this coordination.

7.0 Housing quality

"Good quality housing – well-built and well maintained" rated seventh most important overall out of the ten issues prior to the discussion but climbed to fifth most important issue after the discussions. Eight participants out of 29 rated it one of their top three issues pre-discussion, and seven afterwards.

7.1 Policy context

The physical quality of housing is an issue closely related to that of its location. The NSW government has identified that it faces two key challenges in relation to its current stock of public housing (Social housing discussion paper, 2014; NSW Auditor-General, 2013). These issues are broadly shared by public housing agencies across the country and all are facing similar struggles to deal adequately with these issues.

- The housing is ageing and this means maintenance is becoming more expensive. The social housing discussion paper identifies that 64% of public housing dwellings are aged between 21 and 50 years, and a further 18% are aged over 50 years. As a consequence, maintenance expenditure has been increasing by an average of 5% per year over the past decade. Despite this, the NSW government is unable to fully meet its maintenance responsibilities. The Auditor-General noted that in 2012-13, approximately $85m worth of maintenance and upgrade work had been deferred due to lack of funds. The result of this is that the condition of the housing is gradually deteriorating – the Auditor-General reports LAHC's estimate that between 30 and 40 percent of its housing does not meet its "well maintained" standard.
- The second challenge is that the available housing does not match the needs of its tenants or applicants. Like other states, the NSW government largely expresses this in terms of housing size. While most of the housing was built for families with children, the current tenants and applicants include a high proportion of single people and older couples. The social housing discussion paper identifies that while in 1970, 70% of tenants were couples with children and 12% were sole parents, these two groups made up only four and 14% of tenants in 2013, with 58% of current tenants single persons and 9% couples without children. The current housing mix is identified as 7% one-bedroom dwellings, 23% two-bedroom, 41% three-bedroom and 30% four-bedroom. By contrast, the current household sizes of tenants and applicants suggest a need for 61% of the housing to be single bedroom units, 20% two-bedroom, 8% three bedroom and 10% four-bedroom. While these figures should only be understood as indicative (for instance, they don't consider the need for live-in carers or for extra space to store equipment for older people or people with disabilities) they indicate a large mismatch.

Researchers have pointed out that these challenges are not inevitabilities; they are the consequences of policy choices. Over the past decade, Commonwealth and State governments have steadily cut spending on the production of new social housing, resulting in an ageing asset portfolio (NSW Auditor-General, 2013).

Nor is the changing tenant and applicant profile entirely a result of demographic change, although the ageing of the population has played its part. Groenhart and Burke (2014) have pointed out that the shift in tenant and applicant profile towards single people is largely a result of a shift towards the use of broader need criteria as a basis for allocation, and that a greater focus on housing adequacy and affordability as the criteria for allocation would result in the system housing more families, providing a better match between tenants and the existing housing and reducing under-occupancy. They suggest that it would make more sense to target private rental support programs to single people who are likely to be more mobile and more likely to be able to access the smaller types of housing they need in the private market.

As discussed further in Section 9.1, the Australian Institute of Health and Welfare has identified the state of repair and the level of crowding in social housing as the two most important correlates with tenant satisfaction. At the extreme, poorly maintained housing (whether in the social housing sector or the private rental market) can represent a risk to the health and safety of tenants (Plumridge, undated).

While the NSW Government's social housing discussion paper addresses this question in some detail and flags a need for a sustainable system, it is not clear how this could be done. Recent and current public housing redevelopment projects very clearly seek to re-align the housing mix towards smaller housing forms, but these projects are expensive and time-consuming and much of the resulting housing is returned to the private market to meet redevelopment costs (Eastgate, 2014). The discussion paper mentions directions such as greater use of private finance, transfer of stock to the community sector and the development of "break-even" financial and asset strategies, but it is not clear how these strategies would overcome the current financial shortfalls in the system.

7.2 Focus group discussion

Although participants scored this issue a little lower than many of those previously summarised, it was clear from the focus group discussion that the condition of their housing is still very important to tenants, has a major impact on their wellbeing, and is a source of frustration to many tenants.

One of the frustrations which came up in more than one discussion was the apparent practice of reletting homes without bringing them up to standard between tenancies. Their stories included items that were annoying, such as broken fittings, some items which appeared to be structural such as cracks in the wall, and some horror stories about evidence of previous tenants which was not removed before the property was offered to a new tenant.

> "I'd be dead in 6 months if I took this" – *Reported comment by an applicant*

In some cases these issues led to applicants turning down the offer of housing – in at least one case, electing to remain homeless rather than take the offered housing because it was in such poor condition. More often, their need for housing will override their concern about the condition of what is being offered. They will move in and then either put up with the problem, continue to negotiate for it to be fixed, or fix it themselves.

A similar set of concerns applied to ongoing maintenance. Participants reported concerns about various stages of the maintenance process, including difficulty in getting through on the State Government's maintenance hotline, some maintenance items not being attended to, and a perception that much of the maintenance carried out on social housing dwellings was of poor quality. A number of tenants reported annoyance about maintenance items deemed "non-essential", like the replacement of screen doors. Tenants clearly had a different definition of what was "essential" than their landlords. Many also reported problems with the recording of their requests and the work that had been done, finding the Department only had sketchy information about previous maintenance requests or work done.

Once again, tenants had various solutions to this problem. Some would be persistent with their housing provider, keeping on going back until they were satisfied with the response. Others, particularly if they had the skills themselves or had a friend or family member to help, would just fix it themselves, often at some expense.

They also had a number of ideas about how to improve maintenance. Much of this was focused on better purchasing processes. Tenants felt strongly that the State Government was not getting value for money from their maintenance work, with tradesmen not performing quality work and little oversight of this quality. They felt that better selection of tradespeople and better supervision of their work would allow social housing providers to get greater value for money. They felt tenants themselves could play a helpful role in this if their housing providers would pay closer attention to their feedback.

Longer term tenants in one of the groups also talked about the past State Government practice of using trainees and TAFE students to do building and upgrade work. Their memory of these projects was that the work was of good quality and the projects had the spin-off of providing practical skills to young people. They were unclear as to why this no longer seemed to be the practice.

They had a strong view that maintenance of the housing and the surrounds sends a signal to tenants about how much respect they should have for the community. A poorly maintained environment sends a signal to tenants that their place is not valued and perhaps that their needs are not a priority, and they are likely to behave accordingly. Likewise with a well maintained location generates pride in its residents and they will be more likely to make a positive contribution to its upkeep and to feel at home and confident in their surroundings.

> "If the Housing Department cares for the area people will follow suit" – *Outer suburban tenant*

By contrast, participants had little to say about the processes of redevelopment. None of those we talked to had direct experience of redevelopment processes and their indirect experiences mostly left them wary. They were unsure about the motives of much of the redevelopment they had seen – was it motivated by financial gain, or the needs of tenants? They also had similar concerns to those often expressed by residents during planning processes, about issues like car-parking in more intense developments and the preservation of amenity, and they questioned whether the State Government was in a position of conflict of interest, being both the planning authority and the beneficiary of the development.

7.3 Policy implications

It seems clear that what tenants describe in their own experience closely matches the "big picture" data reported by the Auditor-General. The Auditor-General reports on the ageing portfolio, number of properties that are below the preferred standard, and financial pressures leading to deferred maintenance. Tenants experience this on a day to day basis in offers of substandard housing and difficulties in getting maintenance attended to.

In a broad sense this situation will only be resolved by adequate investment in maintenance and upgrade work. However, tenants also offer two approaches that have the potential to add value to this.

- A better focus on purchasing and oversight of maintenance.
- A closer relationship with tenants as monitors of maintenance quality and value for money.

8.0 Speed of access/choice and flexibility

"Quick access – not having to wait too long for housing" scored very close to Quality Housing in both pre- and post-discussion surveys, being rated the sixth most important issue in both iterations of the survey. Seven of the 29 respondents rated this one of their top three issues prior to the discussions and ten did so after the discussion.

In the course of the focus group discussions it became clear that this issue is closely linked to that of choice, so we discuss them together in this section. "Choice – the ability to pick and choose between available properties and locations" was rated second-least important of the ten issues in both pre-and post-discussion surveys, with only one respondent rating it in their top three issues prior to the discussion and four people rating it in their top three in the post-discussion surveys.

8.1 Policy context

One of the constants of the last few decades in social housing around Australia is the length of social housing waiting lists. The NSW Government's social housing discussion paper identifies that as at June 2014 there were 59,500 approved applicants on the NSW Housing Register, seeking access to one of the approximately 140,000 dwellings. National Shelter (2014) reports that in 2013 there were over 217,000 registered applicants for social housing across Australia seeking access to a little over 400,000 dwellings. The number of applicants had increased by 8.7% in the period from 2008 to 2013.

The number of applicants almost certainly underestimates the level of need for social housing. The NSW Auditor-General (2013) reports an estimate that by 2016 there will be approximately 132,000 NSW households eligible for social housing but not applying for it. Groenhart and Burke (2014) estimate that in 2011 there were 465,000 households in the private rental market who were eligible for social housing on income grounds, and paying over 30% of their income in rent.

As noted in Section 3.1 above, approximately 6,200 new tenancies were granted in NSW social housing in 2012-13 – this represents just over 10% of the applicants registered for housing. This suggests that it is difficult to get access to social housing, and that many applicants will wait a long time. The NSW Auditor-General (2013) reports: "New South Wales has 247 areas and towns where social housing is available. In over 20 per cent of these areas, applicants can expect to wait more than ten years for social housing." (p. 13)

The most recent data from the NSW Government's Housing Pathways agency (NSW Government, 2014) confirms that this is still the case in 2014. It indicates expected waiting times of over 10 years for most areas of Sydney (which contains over half the social housing in the State) and other regions including Gosford, most of Northern NSW and parts of the Mid-North Coast.

This almost certainly oversimplifies the question of waiting times, since applicants with urgent housing needs are prioritised over general applicants. The social housing discussion paper

reports that 10% of applicants are classified as priority applicants. However the Auditor-General reports that 55.7% of allocations went to priority applicants in 2011-12 and this level of priority allocation lengthens the waiting time for non-priority applicants.

In this situation, the question of choice is rather a moot point for those waiting for social housing. A more pertinent question is whether they will get access to social housing at all, or whether they will only do so if their situation becomes appreciably worse.

In practice, applicants have two points at which they can exercise choice about social housing. At the point of application (or at any time while their application is pending) they need to nominate the area (or "allocation zone") they want to live in. They are only able to nominate one of the 245 allocation zones in NSW – these zones are reasonably large and in urban areas may include a number of adjoining suburbs. Applicants are encouraged, at the point of application, to take account of the published expected waiting times in different allocation zones.

Secondly, applicants are able to exercise a highly limited level of choice at the point where they are offered housing. Applicants do not have any significant control over which properties they are offered, but are able to choose not to accept an offer. In most circumstances they are entitled to one refusal without any reason, but can also make more than one refusal if they are able to demonstrate what the housing provider regards as reasonable grounds (specified in policy).

While the NSW Government's social housing discussion paper identifies the limited choice available to applicants in this system it does not address this issue in any detail beyond suggesting that different rent models could be used to provide market signals to tenants choosing to live in highly sought-after areas.

8.2 Focus group discussion

In a situation where those waiting for social housing had to choose between waiting for a property that was well suited to their needs, and being housed quickly, it was clear that the majority of those we spoke to (but by no means all) would choose quick access. Some participants explained that choice is not that important when you're homeless and that people in that situation will take pretty much anything. However, as discussed in Section 7.2, there were limits – some will choose to stay in their current situation if they feel the social housing they are offered is too poor.

> "If you think you will get in and then exchange, keep in mind that some places you will never exchange." - *Outer suburban tenant*

They often do so with the idea that their immediate priority is to get into the social housing system, and that once there they can work towards a transfer. However, many participants had words of caution about this, saying that if an applicant accepts housing in poor condition, or in a low-demand area, it can be hard to get a transfer out and they can find they are stuck long-term in a place they would rather not be.

Participants talked at some length about the "two offers" process which currently operates in the social housing allocations process (see Section 8.1). The overwhelming view was that this system is difficult for applicants to navigate. Because they are only offered one property at a time, the general feeling is that this doesn't represent a genuine choice. If you turn the first

property down, it is possible that the second will be worse, and there is then no opportunity to go back to the first which will have already been allocated to someone else. Given this, in practice they are deciding "can I live with this?" rather than making a genuine choice.

The option of providing written reasons for their refusal and having these accepted didn't seem to be well understood by tenants, and didn't feature clearly in the discussion of this issue. However, they were aware in a more general way that it was possible to negotiate for a better outcome by communicating clearly what their requirements were. In some cases – for instance, with a management-initiated transfer – there is more opportunity to negotiate. However, they saw this as highly dependent on having a skilled and sympathetic officer managing your case and you couldn't necessarily rely on this being the case.

There was a strong view that this situation needed to be managed better, both for the sake of the tenant being allocated the housing, and for the sake of the neighbours. Tenants need an active choice in their housing and it is important that it's selected carefully to match their needs, including an appropriate physical environment and access to the services they need. Allocations also need to be sensitive to the wider community – for instance, not putting disruptive younger people with frail older people, or putting too many people with mental illness in the one place.

This type of sensitive allocation requires allocation officers to understand both the tenants they are placing in the housing, and the neighbourhoods and communities in which they are being placed. This question is discussed further in Section 9 when we consider the quality of customer service.

8.3 Policy implications

The clear implication of this discussion from a policy point of view is that the allocation process for social housing needs to be done in a manner which is flexible enough both to take account of the individual needs to the household being placed in social housing, and to ensure a reasonable "fit" with the neighbourhood. This requires a much more case-sensitive approach than many tenants report being the case now.

9.0 Customer service

The final issue for us to discuss on this list is the customer service tenants receive from their housing provider. Overall, this issue did not rate as of highest priority for participants, being scored above only choice of property and access to private rental in both pre- and post-discussion surveys. Despite this low overall rating, six participants rated it in their top three issues prior to the discussion, and this increased to seven after the discussions.

9.1 Policy context

For any tenant, their relationship with their landlord and the level of service they receive has the potential to have a major impact on their quality of life. This is certainly the case for social housing tenants, for whom their housing provider (whether this is the state government or a community housing organisation) holds a key position both as the manager and arbiter of their tenancy and their housing quality, and as a gateway to the wider service system.

One of the key developments in social housing in the past decade is the movement of the system from having one sole provider (the Department of Housing) to a multi-provider system in which community housing organisations operate alongside the State Government and provide similar or complementary housing services in different ways. The NSW Federation of Housing Associations (2014) reports that the stock of community housing in NSW doubled between 2006 and 2013 and now comprises approximately 20% of social housing in the state. This growth is a result of the direction of new funding to community housing organisations in preference to funding state-managed housing, the transfer of some public housing stock to community housing providers, and the ability of these providers to leverage these assets to increase housing supply.

The Australian Institute of Health and Welfare conducts a detailed survey of social housing tenants every two years. One of the questions explored by this survey is tenants' level of satisfaction with their housing provider. The following are some highlights from the 2012 survey (Australian Institute of Health and Welfare, 2012).

- Overall, the majority of tenants nationally indicated that they were either satisfied or very satisfied with the service provided by their housing provider. Satisfaction ratings were highest for community housing providers (74%), substantially lower for public housing (65%) and lower still for State-owned and managed indigenous housing (59%).
- This level of satisfaction has decreased since the 2010 survey – in 2010 the level of satisfaction was 79% for community housing and 73% for public housing.
- While a majority of NSW tenants were also satisfied or very satisfied with their housing service, levels of satisfaction in NSW were substantially lower than the national average and that of most other States – 70% for community housing, 56% for public housing and only 49% for State-owned and managed Indigenous housing.
- Key predictors of satisfaction are the quality of the dwelling and the appropriateness of dwelling utilisation – tenants are much more likely to be dissatisfied if their housing is in poor condition, or if it is overcrowded. Indigenous tenants also report significantly lower levels of satisfaction than non-Indigenous tenants.
- The most common reasons tenants give for being satisfied are that repairs are done quickly, and that staff are courteous and friendly. The most common reason for dissatisfaction was repairs being done too slowly or not at all. This suggests that the thing tenants want most from their housing provider is to maintain their housing in good condition.

Survey respondents also reported wider positive benefits arising from their access to social housing, including feeling more settled, better able to cope with life events, more socially included and better able to manage their financial situation.

The issue of service quality was addressed by the Mant Inquiry into the Department of Housing back in 1992. Mant advocated for the delegation of wide range of functions to Regional Housing Offices, each of which would manage between 1200 and 1500 properties and be responsible for both asset management and maintenance, and for client service matters. In his view, this would result in a service better attuned to local needs, better connected into the local service system, and more accountable to its tenants and communities. Operating on his own behalf Mant has advocated for an updated version of this approach as recently as 2007.

However, in recent years the management of State housing has, if anything, moved in the opposite direction. The management of housing is currently split between the asset management function held by the Land and Housing Corporation (LAHC), and the tenancy management function delivered by the Department of Family and Community Services (FACS). While the operation of FACS is regionalised into 15 regional offices, LAHC does not appear to have a regional structure. While some services are delivered regionally via FACS, others such as maintenance (the most common reason for contact by many tenants) are managed centrally via a state-wide hotline.

Issues of quality in service delivery are not directly addressed by the NSW Government's social housing discussion paper outside to context of wider improvements to the service system.

9.2 Focus group discussion

While this issue rated relatively low on the priority list of participants in both iterations of the written survey, it generated a considerable amount of discussion, much of it quite passionate. It became clear in the discussions that good customer service is a key part of addressing many of the issues that participants tended to rate higher, such as building community harmony, providing links to support services, keeping housing in good repair and managing a sensitive, flexible allocation system. Hence the low priority on this issue in and of itself is a little misleading as to its importance in the minds of tenants and service providers.

The groups included tenants of both public and community housing, and front-line workers who dealt with both. The strong view across the groups was that overall, community housing providers performed much better on customer service than the public housing authority. While it was clear that they rated some community housing organisations more highly than others (with higher praise generally for the more localised organisations as opposed to larger multi-location providers), there was an overall view that community housing providers had worked much harder than the State government in building a culture of customer service and in building positive working relationships with other organisations in their communities.

> "Housing NSW staff are more intent on following the rules – community housing organisations are more flexible." – *Inner city tenant*

The State department, on the other hand, was overwhelmingly portrayed as disengaged from its tenants and from the support system in their communities. This distance was felt in a number of ways.

- Public housing was often seen as being managed "by the book", with staff more interested in following correct procedure than in responding sensitively to the person in front of them.
- There was seen to be a high level of staff turnover and mobility between roles, so that tenants often didn't deal with the same officer twice and didn't know anyone in their regional office personally.
- Along with this, they felt many staff had not received the training they needed to do their job and were under-skilled. Many tenants and community workers felt that often staff did not

> "Sometimes you get the feeling that staff just say what is convenient to get you out of the office or off the phone" – *Regional tenant*

have a thorough knowledge of the policies and systems they were administering and as a result often their advice or their decisions were wrong.

- Although they didn't use this term, many tenants described what amounts to "gatekeeping" behaviour from public housing staff – deflecting inquiries to other organisations or departments, saying "no" before considering a request, asking the tenant to put issues in writing and so forth. These behaviours are classic symptoms of overwork and pressure in a working environment.
- There were many complaints about the maintenance hotline, with tenants describing lengthy waits in the call queue (sometimes several hours), poor follow-through on requests and poor record keeping so that if a maintenance item was not fixed, the tenant would find themselves starting from the beginning with a different person on their follow-up call.

For older tenants, things had not always been this way. Many described frequent contact with Department officers in their early days as tenants, with staff being very visible and frequently seen around the housing estate. By contrast, tenants describe them now as being virtually invisible in the estates they manage.

Tenants were also able to articulate quite clearly what they wanted. Key elements of good customer service included the following.

- They want to be treated respectfully. This includes in their day to day dealings with staff, where they expect to be treated with courtesy and have their point of view respected; and also in terms of consultation about policy or about decisions that relate to their communities, where they believe they have a legitimate point of view which should be listened to.

> "Tenants are paying your wages" – *Inner city tenant*

- They appreciate stability. They like to know and be known by the staff they are dealing with, and this requires staff to stay in one place for long enough to get to know their tenants and the community they live in.
- They want issues to be followed through. This is helped if they are dealing with staff who know them, but in the absence of staff stability they appreciate good record-keeping and handover between staff so issues are not lost.
- They understand that all of this is helped if staff are skilled and well-trained – hence they see that housing providers need to invest in their staff, building their skills and providing them with good quality training. Tenants in one of the groups discussed the role of Specialist Client Service Officer which has been introduced into the State Government housing management process and which provides a more "expert" response in complex situations.
- They also understood that this was not simply a matter of individual staff – as one commented, if the culture is not supportive, training staff will be ineffective in improving customer service.
- To provide the kind of service needed for the high-need tenants who are increasingly being allocated social housing, they also need a good knowledge of the wider service system and to have good networks to be able to refer people appropriately and work collaboratively with support agencies to solve problems and sustain tenancies. One

tenant commented that it's not enough to just have a service directory, staff need to have a more intimate knowledge of the agencies to make effective referrals.

The last point is particularly important in a policy environment where new tenants are more and more likely to have complex needs and to be coming direct from homelessness. This makes the links between housing and support more crucial. Participants in one of our groups commented that you can tell the difference between a tenancy manager who has a human services background and one who has a background in commercial property management – those with human services backgrounds tend to deal better with the complex issues they are increasingly facing.

The implication of this level of disadvantage is that new tenants may need a lot more support at the beginning of their tenancy, For instance, they may need help with basic issues on moving in such as connecting utilities and accessing furniture. They may also need a good orientation to their local community and service system and this is not necessarily best done at the beginning of their tenancy. Participants in one of the groups talked very positively about the practice of one community housing provider of scheduling a visit with a new tenant around six weeks after the commencement of their tenancy to discuss aspects of the organisation and help orient them to the wider community and get a better understanding of their needs. They felt that at the point when they first move in, new tenants are fully occupied with the logistics of moving house and any extra information provided at that point is likely to be wasted – the best time to talk about these issues is once they have started to get settled.

A final set of issues about customer service which tenants and service providers discussed in some detail was that of correcting mistakes. They were well aware that housing providers would sometimes make mistakes and misapply policies, especially when tenancy management policies are complex and staff have limited experience and high workloads. What is important to tenants in this situation is that decisions can be reviewed and appealed. For decisions to be truly reviewable, participants identified number of elements, including:

- policies written in plain English and easily available to tenants
- a clear system for getting decisions reviewed
- an openness by housing providers to being challenged and to re-examining their decisions
- access to independent advice and advocacy to assist them in navigating this system and upholding their own rights.

For tenants, challenging decisions takes knowledge, persistence and a certain amount of courage. While the public housing system has a documented appeal process and community housing organisations are also required to have such processes, tenants don't always make use of them. Often they simply accept that what they are told is correct, or that even if it isn't they don't have the power to change it. However, advocates who took part in our groups (both tenants and professionals) were able to tell of many cases in which they had persisted and got the outcome they wanted in the end. One experienced advocate advised that tenants should never accept a refusal or adverse decision at face value.

However, such challenges come at a cost to tenants. They take time and energy which tenants may not have if they are dealing with other significant life issues. Many tenants also felt – and

had experienced – that there was a degree of personal risk involved, as there was a chance that they could be victimised as a result of their advocacy and have ongoing difficulty with their housing provider as a result.

9.3 Policy implications

Good customer service is often neglected by policy-makers as it seems very "low-level". However, it has a big impact on tenants, and the quality of customer service supports the implementation of other policies – or undermines them if customer service is poor. Our discussions suggest that:

- housing providers need to recruit, train, support and manage their staff carefully
- housing providers need to be integrated with the wider community in which they operate
- customer service systems need to be accessible to clients, provide a personalised service and ensure good recording and follow through
- policies and decisions need to be transparent and open to challenge.

10.0 Conclusion

The social housing system in New South Wales, like that across Australia, is facing a number of issues including significant financial pressure, ageing assets, a high level of unmet demand and increasingly high-need, low income tenants. The policy responses flagged in the NSW Government's social housing discussion paper mirror more or less those being implemented in other states, with allocations based on need, a stronger intent for social housing to be a transitional option, better integration of housing and other services, a desire to improve asset management (without necessarily the resources to do so) and a tougher approach to anti-social behaviour.

The participants in this project - tenants and workers at the coalface of this system - have their own views about how it should be managed. In some respects these views coincide with those of current policy-makers, in other respects they differ.

They have a markedly different view of the notion of social housing as a transitional option. For most tenants, it is very definitely a destination. This is arguably a more realistic assessment of the situation, with extremely limited secure, affordable options on offer in either the home ownership or private rental markets.

They agree that anti-social behaviour is an important issue and needs to be better managed. However they have a more complex, nuanced view of this issue than many of the policies implemented around the country. They express an understanding that there is a close connection between supporting tenants to deal with life issues and reducing anti-social behaviour.

They agree that social housing assets need to be better managed, and suggest that better purchasing and oversight of maintenance may go some way to helping with this.

They highly value the integration of housing and support, seeing that this requires a highly skilled staff team within social housing providers to facilitate referrals and collaborative arrangements, as well as strong relationships between various service providers.

They have no particular complaints about needs-based allocation systems, but believe these require more care in allocations, more choice for tenants and a more open, collaborative approach to matching new tenants to their housing and community.

Tenants and frontline workers highly value the social housing system. They see it as an effective way of providing secure, affordable housing to people on low incomes, and that it provides people with a secure base to build their lives over time, to address their life issues and to become productive members of the community. They are keen to partner with the State Government in building and strengthening this system.

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