

Shelter NSW Conference – The Shape of Public Housing – 26 June 2008

Speech Notes – Mike Allen, Director-General, Housing NSW

'The transition of the public housing system to a social housing system'

Firstly, I would like to begin by acknowledging the Gadigal people of the Eora Nation, the traditional owners of this land on which we are meeting today.

Good morning and thank you for inviting me to speak to you today on *The Transition of the Public Housing System to the Evolving Social Housing System* we have today.

We live in an ever-changing world, which certainly would not come as a surprise to any of you here today, who I know have seen the public housing system change dramatically over the years.

When I think back over my nearly 30 years in social housing, the system I entered and the system we have now are very different indeed.

And the system we will have 30 years from now will be very different again.

So how did we get to where we are now? - because it didn't happen quickly, nor was it by accident.

How have we moved from public housing that used to house low income **working** families to the multi-faceted social housing sector involving all levels of Government, the not-for-profit sector and other organisations, aimed at helping those, as we say, who are most in need.

First, a brief recap on history. And I promise to keep it brief.

In 1912 the Housing Board of NSW was established to provide homes for working families.

The NSW Housing Commission was established in the 1940s and in this decade more than 12,000 homes were built.

The first Commonwealth-State Housing Agreement was also signed during this period.

In the post-war period and through the 1950s the Housing Commission embarked on a number of developments in areas

including Villawood and Maroubra in Sydney, and Windale in Newcastle.

The post-war period saw a focus not only on housing for workers, but also for returned soldiers.

At this time, public housing was not envisaged as a welfare program, although there was provision for lower rents for people on low incomes.

The 1960s saw further intense development of public housing, including high-rise apartments such as John Northcott Place in Surry Hills, and suburbs such as Green Valley and the early stages of Mount Druitt.

This was followed by broad acre developments of mixed cottages and town houses, such as in Macquarie Fields and Minto.

The Housing Commission built its 100,000th property in the 1970s.

The 1970s to 1980s was the time when public housing really began to take on the characteristics of a more targeted housing system.

In particular, means-tested eligibility for public housing was introduced in the 1970s, and the principle of public housing eligibility giving priority on the basis of relative need was an important element of the 1984 to 1988 Commonwealth-State Housing Agreement.

In 1976 unrestricted sales of Commission homes to sitting tenants ceased.

In the early 80's housing priorities began to focus much more towards those most in need, and away from housing for workers.

The traditional nuclear, working-class families were now no longer the typical applicants.

Growing numbers of single people, sole parents, the homeless, older people, and people with disabilities began applying for public housing.

In late 1987, non-aged single people and people who need support services to live independently became eligible for public housing for the first time!

Demand from pensioner and other beneficiary groups increased throughout the 1980s.

De-institutionalisation policies and increases in the population needing support to live independently also contributed to increased demand.

From the 1990s on the targeting of housing assistance to those most in need intensified right across the nation, in response to both this increased demand from high needs client groups and reductions in overall funding.

These changes culminated in the NSW Government's Plan for *Reshaping Public Housing*, which was released in 2005.

Public housing tenants today are overwhelmingly recipients of social security benefits, rather than wage earners.

Many of today's tenants have complex needs, including a range of non-housing support requirements.

The *Reshaping Public Housing* reforms aim to ensure that we have a fair public housing system in New South Wales, which both helps those most in need while remaining sustainable into the future.

The reforms have better-positioned our Department to respond to heightened demand for public housing, including increasing demand from high needs clients.

The reforms have also better-positioned us to respond to significant demographic changes such as the ageing population and growth in smaller and single-person households.

The *Reshaping* reforms enshrined as a principle the allocation of public housing on the basis of greatest housing need.

Reshaping Public Housing also introduced fixed-term leases, with public housing provided for the duration of need. This ended, for new tenants, the idea of 'public housing for life'.

This was necessary to ensure that a greater number of people can be assisted over time.

Essentially, these two changes formalised the long transition to a more targeted housing system.

Reshaping Public Housing you would be aware also involved changes to rent policies and the introduction of water usage charges.

This has provided extra revenue for re-investment in the public housing system, while also promoting tenant responsibility.

While not being a popular decision with residents, charging for water usage does promote environmental objectives and we have seen a substantial drop in water usage by residents in the wake of this change.

The average household is now using 10% less water each year, which across all our homes, equates to around 2.5 billion litres, which would fill 2,500 Olympic sized swimming pools.

This change has also allowed us to spend more than 50 million dollars that would have been spent on water on building and upgrading homes.

Reshaping Public Housing also involves the introduction of a new pre-emptive maintenance regime for public housing and renewal of the public housing property portfolio over ten years.

Finally, a key element of *Reshaping Public Housing* has been the development of the Housing and Human Services Accord.

The Accord provides an overarching framework for human service agencies – both government and non-government – to work in partnership to support the most vulnerable and disadvantaged in our community.

The intake for new public housing tenancies reflects this increasing number of clients with complex needs.

In 2006-07:

- almost 10% of newly housed public housing tenants were homeless or at risk of homelessness;
- 97% had a Centrelink benefit as their main source of income;
- over 30% were recipients of the Disability Support Pension;

- almost 4% were frail aged, and over 11% were older persons; and
- 2% were young adult household heads aged under 20.

As you can see, the changes made under the *Reshaping Public Housing* reforms will have a long-term impact on the public housing client profile.

Improving long term asset management and planning, and renewing the public housing portfolio to ensure our homes meet these changing client needs, is another priority for us.

Public housing needs to meet:

- heightened demand from people with complex needs;
- demographic changes, including the ageing population and the rapid growth in smaller households; and
- increasing demand for adaptable housing that can meet a range of special needs without requiring major structural modifications.

Housing NSW is continuing to implement its commitment to renew and reconfigure the public housing property portfolio.

This involves:

- acquiring or building over 12,000 new public housing dwellings over ten years to meet the needs of particular public housing client groups, including older persons and people with disabilities;
- improving mobility and accessibility through the modification of 10,000 homes to suit the needs of people with a disability; and
- the refurbishment or conversion of 8,000 older dwellings to meet contemporary living requirements.

Asset planning to implement *Reshaping Public Housing* is now being integrated with community housing to support our *Planning for the Future, Community Housing Strategy*, which includes a target to grow the community housing sector from 13,000 to more than 30,000 homes over ten years.

We are increasing the number of adaptable homes and are trialling 'universal housing' in six projects covering metropolitan and country areas.

Universal housing is housing that is adaptable to meet the changing needs of people throughout their lives and that provides people with the choice to remain in their home.

We are also continuing work on improving areas where there are high concentrations of public housing.

Our *A New Direction in Building Stronger Communities* strategy is an investment over four years to improve housing, services and opportunities in six priority locations.

The Building Stronger Communities initiative is designed to bring together social housing residents, government agencies, community organisations, and businesses to improve housing, services and opportunities for all residents.

Other public housing renewal projects currently being undertaken include:

- Bonnyrigg PPP – Australia’s first social housing PPP.
- the *One Minto* project, in partnership with Landcom and Campbelltown City Council, to improve the housing mix, layout, and public areas of Minto’s current 84 hectare public housing site; and
- the *Glebe Redevelopment Project*, in partnership with the City of Sydney, which will replace ageing public housing apartment buildings with a mix of new and more appropriate homes suited to older people, families, and people seeking affordable housing closer to where they work.

I have covered who is coming into social housing and what sort of home and community they will be living in. The third priority is how we ensure that housing services and tenancy management are suited to the needs of residents with complex needs.

These residents need coordinated support from many sources in order for tenancies to be sustained and to maximise the benefits of stable and affordable housing.

The increased targeting of public housing to the most disadvantaged and vulnerable households makes partnerships with other human services agencies essential, to avoid tenants with complex needs re-entering the homelessness system through the effects of mental health problems, recidivism or other risk factors.

The *Housing and Human Services Accord* is central to improved service delivery for clients with complex needs.

The Accord recognises that affordable and stable housing can maximise the effectiveness of other services, such as mental health support or disability services.

It provides formal agreements to assist social housing tenants with complex needs to receive the support services they need to live independently and maintain their tenancies.

Government and non-government housing and support providers are working in partnership to test a model that enables housing providers to accept the assessment of support agencies and respond with housing that meets the needs of vulnerable groups, where that housing is available.

Agencies are collaborating on improved consent-based client information sharing, for the benefit of clients with complex needs.

The Accord has also provided the framework for us to work on improving our early identification of applicants with complex needs, so that we can use our partnership agreements to access any support that may be needed for tenancies to be viable.

Ms Melissa Gibson, the Director of Housing Policy and Partnerships at Housing NSW, will speak in more detail about the Accord later today.

Another key direction being pursued to improve our housing service delivery is the development of strategies and action plans to guide how we ensure key client groups are receiving the service they need.

Our *New Directions in Social Housing for Older People* strategy aims to provide more responsive and flexible housing that can meet the needs of older people well into the future. The strategy includes:

- an investment of 420 million dollars over five years for an additional 2,800 homes for older people living in social housing, and another 75 million dollars for refurbishing and modifying existing social housing;
- the development of dedicated older persons' precincts in major social housing redevelopments, to help older people strengthen social networks and access support; and
- improved partnerships and service delivery arrangements between Housing NSW and other human service agencies and non-government organisations to help older people living in social housing.

The NSW Government has also recently committed funding for the *Housing NSW Tenant Connect* program, as part of its *Ageing Well in NSW* package.

Under this program, the Australian Red Cross will deliver a daily telephone monitoring service to isolated frail older people living in social housing, which will commence on July the 10th.

A number of strategies and action plans are currently being developed to improve our service delivery to other priority client groups.

This includes:

- a Disability Action Plan which will identify Housing NSW's priorities for people with a disability living in social housing;

- an Aboriginal Service Delivery Framework and Strategy, to guide the provision of Housing NSW's services and products to Aboriginal people. This will include actions to improve Aboriginal people's access to public housing, as well as to improve service delivery and support to Aboriginal tenants; and
- a Youth Action Plan which will identify priorities for the provision of assistance to young people.

A number of innovative programs have also been developed to improve the non-housing outcomes of particular social housing client groups.

For example:

- The *Housing and Accommodation Support Initiative*, an innovative partnership between NSW Health, Housing NSW and the non-government sector, provides housing linked to clinical and psychosocial rehabilitation services for people with a range of levels of psychiatric disability.

- The Youth Scholarships Program supports young people living in social housing to complete their Higher School Certificate by awarding scholarship grants of \$2,000 to assist students with books, computer equipment, tutoring and other educational needs. We have found the scholarships deliver very positive outcomes for the recipients. As a result, it has been decided that we will continue the program for the next two years. Applications for next year's scholarships are now open – you can visit our website or contact your local office for more details.

Finally, I want to briefly talk to you about a key challenge facing Housing NSW.

Reshaping Public Housing operates as the guiding strategic framework for public housing. Similarly, the NSW Government's *Planning for the Future: New directions for community housing in New South Wales 2007/08 – 2012/13* sets out a plan to guide community housing into the future.

Historically, public housing and community housing have developed as two separate housing systems.

The challenge today is to create a more integrated social housing system that builds on the strength of both and, at the same time, retains the diversity and flexibility of the community housing sector.

In many ways, public and community housing have already been significantly integrated.

However, the current system of social housing service delivery is fragmented.

There are multiple providers, as well as multiple application forms, assessments, and waiting lists.

We need to make it easier for people to access community housing, and simplify application and assessment processes.

We are developing options for a Common Access Strategy, which aims to provide a single front door for prospective residents to access public and community housing.

As this is a collaborative project with the community housing sector, preliminary work is taking place in close consultation with the NSW Federation of Housing Associations and a range of community housing providers and other stakeholders.

The continued development of strategies and initiatives that draw together public and community housing into a well-connected social housing system will be an important element of Housing NSW's work into the future.

Continued reform is essential for us to ensure that we focus on delivering contemporary housing solutions that are suited to the needs of tenants across different age groups and different housing circumstances, in a constrained resourcing environment.

Because this is what it is all about – making sure we have the right style homes, in the right places, with the support in place for those who need it, and, importantly, a sustainable social housing system that is a means to an end and not an end in itself.

Thank you for the opportunity to speak to you today.