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COMMON EQUITY NEW SOUTH WALES

# Renewal in housing cooperatives: Common Equity NSW

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# Background

## Resurgence of Cooperative Housing Sector in NSW

History of 50 plus housing cooperatives

Resourced by peak body Assoc to Resource Cooperative Housing (ARCH)

25 year heritage in NSW of tenant member controlled and managed housing cooperatives

Foundation of talent, experience and skill in the voluntary management of social and affordable housing

Strong social justice passion and activist culture, where under-represented groups now manage affordable accommodation

Success in other countries and other states; Victoria, Canada, N Europe

# Relaunching the Coop Model 2009

## Some of the 'drivers'

- Culture of maximising tenant participation and control
- Revisions to community housing provider registration for small entities
- Requirement for growth of community housing; increasing demand
- Expectation to demonstrate high levels of accountability and governance
- Acknowledgement of mixed communities; CALD and income
- Demand for continuing accountability
- Commitment to the sector by stakeholders; volunteers, CHD, politicians
- Success of CEHL in Victoria; over 2000 properties

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**United Nations International Year of  
Cooperation 2012 – A contemporary  
housing solution...**



# Resurgence

## Cooperative Housing Achievements

- May 2010 – Signing of the Company Cooperative Agreement
- June 2010 – ‘\$800k ‘NBESP maintenance; 2011/2 \$500k capital
- \$2million of major maintenance
- 23 new NRAS properties constructed
- 100 NBESP properties allocated
- 23 one bed refurbishments allocated
- 2 additional coops joined the programme 2011
- Healthy balance sheet for future growth
- 65 Direct managed properties awaiting to be coops
- Newest coop – Sedgwick incorporated May 2012; three on the way...

# What is a Housing Coop?

## 33 Examples in NSW...

- Independent autonomous entity regulated by Registrar of Cooperatives
- Member control – relies on member participation and democratic decision making; reflect international principles of cooperation
- Undertakes housing provision under a shared registration held by CENSW with Registrar of Community Housing
- Rules reflect a shared objective or target audience
- Coop members manage tenant allocation, rent assessment, rent collection and cyclical and responsive maintenance
- Coop is the Landlord under the RTA

# Housing Cooperatives

- Ranging in size 4 - 54 properties
- Approaching 50% members from CALD background
- Local support and social networking for members
- Ageing membership... 27% advise of disabilities
- Subscribe to International Principles of Cooperation
- Democratically self managed by member tenants
- Rules outlining their objective – significant range
- Landlord under the RTA
- Responsible for allocation, tenancy management and cyclical and responsive maintenance
- Concentrations in Central and Western Sydney, across NSW

# Common Equity NSW

- Class Two Registered Housing Provider
- Small lean organisation
- Maintains and manages Asset Management Plan
- Central governance, performance monitoring and compliance function and provide 'sector returns'
- Maintains growing central referral list for applicants and coops
- New support services for coops eg book keeping
- Training and support for coop housing management roles
- Support, advice and guidance – sharing good practice
- Manages major maintenance and advises on contractors
- Responsible for coordinating and managing growth

# The Coop Model

Coops allocate tenancies to eligible members

Tenant Rent - 25% of income or to max Market Rent

Twice yearly tenant rent review, compliant with CHD policy

55% of tenant rent paid to CENSW for major maintenance and growth

Better maintenance outcomes, locally agreed

Contribution to design process

89%+ Tenant satisfaction 2010 and 2011; 94% 'Services acceptable or better'

Security of tenure – fewer vacancies; <4%

Low levels of arrears, sustainable tenancies, <2%

Community benefits and social capital; inclusive model, informal support

Opportunities to progress in education and employment

# Looking to the future

## This year... Next year... Maintaining momentum

- Principal objective title transfer
- Maintain coop members' participation in all aspects of the model
- Ease and simplify administration burden - ICT
- Support community development in partnership and build further social capital
- Address the needs of a growing ageing membership
- Recognise, celebrate and support our cultural diversity
- Promote opportunities for growth and additional properties
- Offer assistance and support for smaller housing providers not seeking registration to join programme
- Broaden the portfolio through tenant members' lifecycle
- Celebrate and share success, achievements and good practice