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Editorial: *Community Housing*

Karel Eringa

Community housing in Western Australia has long been under funded and under resourced compared to public housing. However, recent developments both here and interstate suggest this may be about to change. In Victoria, the Labor government has broken the trend of decreasing capital funding for social housing by committing \$94.5 million to its Social Housing Innovations Project (SHIP).

One of the objectives of the Initiative is to enhance "the capacity and sustainability of the community housing sector". The Consultants Report for the SHIP recommends using the \$94.5 million for community rather than public housing. In addition, the Report recommends transferring one third of public housing stock to community housing providers in order to create a viable and growing sector.

Closer to home, the WA State Government's housing policy states that "Labor will increase public rental housing by supporting community housing associations [and] will allow community housing providers to apply for transfers of suitable Homeswest stock to make them viable. Community housing providers with appropriate managerial and commercial expertise will be able to bid for up to an additional \$10 million from the current funding provided to Homeswest."

With housing options for people on low incomes rapidly decreasing in the private rental market and Homeswest stock continuing to fall, Shelter WA supports any initiative that increases affordable low income housing stock in general and social housing stock in particular. However, both the Victorian initiative and the Western Australian policy aim to grow community housing by reducing public housing funding and stock. This warrants a closer look at the advantages and drawbacks of community housing.

Community housing has some important advantages over public housing, including:

- Tenant participation in management allows tenants to develop valuable skills
- Links to the local community allow community housing providers to build social capital
- Ability to attract private capital allows community housing to grow more quickly than public housing with the same outlay of government funds
- Their relatively small size allows community housing providers to be responsive to tenants' needs and the needs of the local community
- Community housing tenants have access to Commonwealth Rent Assistance, increasing the income streams of community housing providers at no cost to tenants.

The main problems associated with the community housing sector in WA are:

- Lack of access: there are some 250 community housing providers in Western Australia managing around 3500 dwellings. Each provider has a unique application system and clientele. Since there is no common access point for community housing, many low income tenants have experienced difficulties in identifying and accessing community housing providers.
- Lack of minimum standards: at present, there are no legally enforced minimum standards for community housing providers. There is anecdotal evidence of poor tenancy management standards, particularly among smaller providers.
- Lack of flexibility for tenants: two thirds of community housing providers manage fewer than ten dwellings. When a tenant's housing requirements change, it is unlikely that these small providers will be able to offer alternative, more suitable accommodation. For the tenant this means a choice between security of tenure in an unsuit-

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able dwelling, or finding more suitable accommodation with another provider.

In general terms, community housing providers face an inherent tension between on the one hand size, flexibility and viability, and on the other hand social objectives such as housing those most in need, opportunity for tenant participation and input in the community. For instance, a community housing provider that chooses to focus on financial viability and efficiency is likely to grow more quickly, thereby offering tenants more housing options. It will also have more resources to spend on training to raise its management standards. However, such a focus on viability is likely to come at the cost of housing fewer high need tenants and a reduced amount of resources available for optimising potential benefits for tenants. This is particularly the case where community housing providers use private (debt) finance to increase their stock.

A good example of these tensions is the Eastern Metropolitan Community Housing Association in Midland. This organisation has tenant participation on its management committee, is an important part of the local community and has worked on housing low income Aboriginal people. However, it after four years of existence it remains relatively small (48 dwellings with 8 additional units approved this year) and has limited capacity to attract private finance.

There is no easy way to resolve these tensions. Each community housing provider will need to strike its own balance. However, the issues around access and accountability need to be addressed before community housing can be regarded as a suitable alternative to public housing for limited capital funding or stock transfers. The SHIP Consultants Report identifies three steps to achieve this:

- "The adoption of the *National Community Housing Standards* and the implementation of an accreditation system accompanied by strategies to support quality improvement" (p.85), including an independent appeals mechanism. It should be noted that such a system will take considerable time and resources to establish and administer.
- A body "with the responsibility to accredit community housing providers and monitor their prudential performance and service standards. The regulator will have powers of intervention to ensure providers meet service standards and remain solvent." (p.42) Again, establishing and administering such a body will require considerable time and resources. Care would need to be taken to ensure the body has the flexibility required for growth, yet retains enough control to ensure that providers meet minimum standards.

In the Western Australian context, it will also be necessary to facilitate access to community housing providers. This will require some form of common entry point for

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community housing, preferably combined with public housing. This common entry point could take many forms. At the one extreme, a combined community and public housing waiting list would solve all accessibility problems. However, this would also take away applicants' choice of not wanting to be housed by either public or community housing.

At the other extreme, a common entry point could simply provide information about community housing providers to prospective public housing tenants, and vice versa. However, given the sheer number of community housing providers, applicants would still face significant barriers in accessing a sizeable proportion of community housing. Between these two extremes, there is likely to be a compromise that strikes the optimal balance between accessibility and choice for tenants, such as a common register. However, the features of such a register would need to be worked out in consultation with the relevant stakeholders.

In 1996, Michael Darcy wrote a National Shelter Research Paper entitled *Community Housing: The consumer perspective*. In this paper, Darcy identified community housing as an important alternative to public housing, but "some structural barriers [prevent] the achievements of the best outcomes for tenants ... before advocates of housing justice can feel entirely comfortable about the place of community provision in the future of social housing".

These 'structural issues' were rent payable, accountability, access and eligibility, appropriateness and security of tenure. Five years on, community housing providers in WA generally charge the same rent, provide security of tenure and have similar eligibility criteria to Homeswest.

The issues of accessibility, accountability and minimum standards remain as significant barriers to the growth of the sector. However, with a coherent strategy and appropriate resources, these issues may be resolved within the next five years, clearing the way for community housing as a suitable alternative to public housing.

This newsletter contains articles by the Community Housing Coalition of WA, Tenants Advice Service and the Department of Housing and Works about their views on community housing. These views are their own and are not necessarily endorsed by Shelter WA