

NSW experience of stock transfers

Homes North Community Housing

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Its all about Pat

Background



Homes North Community Housing
Cities/Towns & property numbers



Stock transfers projects

Total 266

- 149 properties Gunnedah – 2008
(to date 3 not transferred)
- 117 Glen Innes and Tenterfield – 2009
(100% transferred)

These figures achieved within a year of commencement with 60% achieved within 3 months

Community

- All rural communities with populations ranging from 7,000 to 13,000
- All low demand areas at the time
- One “estate area” approx 90 dwellings: boarded vacants, high rejection rates, vandalism, “riots”
- 90% stand alone cottages majority constructed 1950-1970
- No major upgrade programmes for approx 10 years due to hiatus in decision-making around assets in smaller rural centres – resulting eventually in decision to transfer
- No local offices



Tenterfield



Gunnedah



Challenges

- Aging stock Gunnedah – decision was relatively easy as each property came with adequate \$ for upgrades
- Glen Innes and Tenterfield – funding for upgrades fell short



ALSO.....

- High level of under-occupancy
- Low market rents
- Social housing held in very poor regard, particularly by local councils
- Minimal support services. What was available was generally outreach
- Whole-of-town stock transfers – required to provide access services for HNSW products and services with no additional funding
- No understanding of Community Housing (underestimated this challenge)
- Managing remote offices

Solution – be prepared to provide initial resourcing of project (investment phase)/ careful forecasting of income and expenditure, careful monitoring of actuals to budget

Conditions

- Housing Pathways
- Upgrades - timeframes
- Headlease agreement

Internal policy:

No rent increase 12 months after initial assessment

No relocations for under-occupancy, although encouraged



Expectations

Delivery

Individual reputation

sector reputation

future property transfers

KEY ***Understand the tenants and their communities***

strategy

Identify strengths and weaknesses and develop strategy around them:

STRENGTHS

Upgrades

Local contractors

Commitment to face-to-face service

Knowledge of portfolio

Continuing tenancies

Local staff

Track record

Poor performance of current maintenance services

HNSW project staff – planned, committed to targets

Community and tenant focus

Project-based planning approach – staff offline

Adaptability/flexibility

Weaknesses

- Unknown
- Fear of change
- Suspicion of Government motives – “if it is beneficial to Government it must be detrimental to me”
- Voluntary
- Resistance from some local housing authority staff
- Complexities of CRA
- Rent calculations are complex
- HNSW – no rent increase in excess of 12 months

Critical to Identify key issues for tenants and communities

1. Improve service delivery:

- Improve responsive maintenance services
- Improve the condition of properties
- Open local offices in Glen Innes and Gunnedah
- More intensive tenancy management
- Supported tenancies
- Qualified and trained staff
- Community cottage in estate promised in community plan for over 5 yrs
- Engage local contractors

Estate Strategy

- Community cottage and garden
- Nuisance and annoyance response
- Interim allocation strategy – under occupancy, incentives
- Accommodation forum
- Engage with local agencies
- Police relations
- Media relations

Gunnedah community cottage



Community garden site



After



strategies

- Joint community consultations. Housing authority staff available to field questions
- Listen carefully to feedback from tenants and ensure strategies address concerns
- Analyse portfolio and community and assess opportunities and risks
- Have the answers to questions
- Explain complaints handling and entitlements
- Pick the right staff



Its all about Pat



Pat's home for 36 yrs

Pat's experience

- Nervous when she received the letter
- Brought up her 4 children in the house
- Just out from hospital from a major operation

How she made her decision

- Spoke to neighbours
- Attended meeting at the Golf Club and felt all her questions had been answered
- “nice people”

Pat's experience

- HNSW were good but very slow
- Local office and local staff who are “kind”
- Never been sorry about her decision
- Good neighbours “most important”

What we would do differently with the benefit of hindsight

- Survey tenants once they signed an intention to transfer - to ingrain tenant participation and community engagement into the relationship from the start. This would be essential if little knowledge of current issues in the portfolio. (Risks – raising expectations!)
- Consult with local councils and politicians repeatedly. Keep them engaged and informed of issues and progress.
- Get partner agencies on board earlier – NFPs and govt agencies
- Clear strategy on CRA
- Baseline data to enable measuring of outcomes to report back to the Community and Government (eg account code for vandalism)

Continuing challenges

- Poor thermal qualities of aging stock
- Change of Government has resulted in halting of title transfer and re-thinking of strategic asset planning
- Currently in the position of maintaining properties beyond their use by date with minimal opportunities to negotiate alternative strategies – e.g redevelopment. Loss of opportunity.
- If property transfers resume no upgrade funding included (previous funding made available by NBESP).

VALUE

Provide Government with
solutions to challenges