



Tasmanian
Audit Office

**Report of the Auditor-General
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Provision of social housing

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INTRODUCTION

Housing Tasmania (HT), which forms part of the Department of Health and Human Services, is charged with implementing programs to provide affordable housing to Tasmanians most in need. In the last decade or so, HT has implemented a range of strategies to diversify social housing assistance to meet the needs of vulnerable people at risk of homelessness and housing stress. In recent years, much has changed, especially with the introduction of Housing Connect and Better Housing *Futures*.

Housing Connect

In 2013, Housing Connect was introduced as a collaboration between HT and non-government organisations (NGOs). Housing Connect through Front Door services provides access to common assessment, a shared statewide waiting list and integrated service delivery to social housing clients. It was intended to not only provide an easier means of placing applicants on the housing waiting list but also to provide support that may result in the removal of a need for long-term housing assistance or to sustain existing tenancies.

Better Housing Futures

The implementation of the Better Housing *Futures* program resulted in four NGOs taking over the management of a third (around 4000 high-density, broad-acre properties) of HT's total portfolio. In March 2013, management of the first tranche of properties (around 500) was transferred from HT control, with the final tranche transferred in July 2014. A consequence of these arrangements was that the NGOs were now responsible for collecting the rent, performing maintenance and providing a point of contact for the tenants.

The audit objective was to form conclusions on the effectiveness and efficiency of the provision of social housing and other government assistance provided by HT and NGOs to Tasmanians in housing stress.

The audit included HT and NGOs involved with:

- Community Housing
- Better Housing *Futures*
- Housing Connect.

The audit concentrated on the five-year period 1 July 2009 to 30 June 2014. More recent data was used where available.

AUDIT CONCLUSIONS

These audit conclusions are based on criteria that we developed to support the audit's objective.

Was social housing stock being effectively used to meet the needs of people under housing stress?

Despite efficient turnaround time and high occupancy, social housing was not meeting Category 1 needs to the standard of internal benchmarks or past performance, particularly in the Northern Region.

To some extent, the inability to meet the need was due to relatively high demand in Tasmania (despite a relatively high provision of social housing) and to historically poorly matched housing in terms of number of bedrooms and suitability for people with disabilities.

However, lengthy Category 1 waiting lists were also partly due to the substantial allocation of stock to lower-category applicants. In addition, many people occupying social housing no longer had a need for housing assistance, despite legislative changes passed in 2014 designed to address this problem.

Had HT developed and implemented new strategies to better meet the needs of people under housing stress?

HT did undertake adequate strategic planning.

It had effective strategies to add to social housing stock. However, disposals of existing stock had resulted in only a small net increase in HT-owned stock.

HT had implemented effective strategies for easing housing stress by increasing the availability of affordable housing and assisting those renting in the private sector.

Had the greater involvement of NGOs been effective?

HT had effectively and efficiently integrated its services with those provided by the NGOs. The new collaborative Housing Connect arrangements had improved service provision to those seeking housing assistance. In addition, the introduction of Better Housing *Futures* had led to cost benefits with a reduction in maintenance costs.

HT was not effectively monitoring the Housing Connect program, with the single activity measure of recording the number of people assisted by Front Door, providing little indication of performance.

HT was effectively monitoring the Better Housing *Futures* NGOs. However, where targets had not been achieved, we considered some of the explanations to be unconvincing.

LIST OF RECOMMENDATIONS

The Report contains the following recommendations:

REC	WE RECOMMEND THAT HT...
1	... reviews its approach to ensure those with the greatest need are prioritised.
2	... works to better align its stock with demand, taking into consideration disability requirements and the changing demographic profile of its tenants.
3	... investigates the reasons and implications for the sharp increase in applicants in the North and North West.
4	... implements the regulations as soon as possible after declaration in order to allow it to terminate social housing leases where there is no longer an ongoing need.
5	... continues to encourage eligible tenants to move away from non-fixed term leases.
6	... conducts a review of non-performing housing assistance initiatives with any found to be ineffective or inefficient to be revamped or discontinued and the resources to be redirected to more successful existing schemes or to fund new initiatives.
7	... implements effective replacement performance measures with the Housing Connect NGOs. HT must also follow-up on any instances of non-compliance.

For the full report go to:

<http://www.audit.tas.gov.au/publications/reports-to-parliament/>



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