Submission to Public Accounts Committee

Legislative Assembly of the Northern Territory

Inquiry into Housing Repairs and Maintenance on Town Camps

By: Central Australian Affordable Housing Company

Date: 15 March 2016

Sent: pac@nt.gov.au



1. CONTEXT

Central Australian Affordable Housing Company (CAAHC) is a tenant focused, not for profit, registered community housing provider in Alice Springs. Our organisation is committed to providing safe, secure and affordable housing within a socially inclusive environment and employing best practice in tenancy and property management.

Our vision is to see every Aboriginal person in Alice Springs access safe, secure and affordable housing. We have a specific emphasis on the housing needs of Aboriginal people but not exclusively.

The Central Australian Affordable Housing Company (CAAHC) has been a working partner of the Department of Housing (Housing) since 2011 when CAAHC was established.

This submission has been prepared through our experience working with Housing over the last five years, primarily as the 'contractor' responsible for the delivery of Tenancy Management Services on the Alice Springs Town Camps, but also through various lease and management agreements between Housing and CAAHC.

The submission also draws on the knowledge of CAAHC's management team who have worked in social and community housing across Australia with 45 years combined experience.



2. EXECUTIVE SUMMARY

"HOUSING AFFECTS ALL ASPECTS OF A PERSON'S LIFE"

- YOUTH VOLUNTEER TWIN CITIES HABITAT FOR HUMANITY

The above observation came from a young person in Philadelphia when he was working as a volunteer to refurbish homes for disadvantaged people living in sub-standard conditions.

This young person echoes the knowledge and experience that we at CAAHC bring to our work every day - That good housing matters. Good housing outcomes rebuild and maintain communities, lives, and family. Good housing builds and maintains health and opportunity and gives people options and choices. Bad housing negatively affects all aspects of a person's life.

Our submission is candid and honest and points out several key failures in Housing's attempt to apply a public housing model to the Alice Springs Town Camps. These key issues are:

- Services to Town Camp tenants, including repairs and maintenance, are of a poor standard, dysfunctional and do not improve the lives of Aboriginal people.
- Housing's policy framework is not appropriate for Aboriginal housing
- Government Housing providers are not best placed to provide specialised service delivery to Aboriginal people

The above issues highlight the need for broader and long term housing reform for Aboriginal people.

We believe that there are clear lessons to be learned from the last seven years of Housing's involvement on Town Camps but, more importantly there is also a great opportunity for change.

Our submission offers an alternative – The establishment of a new community housing model. The development of a community housing sector in the Northern Territory is an opportunity for government at all levels to get it right and finally start to Close the Gap in Aboriginal housing and accommodation standards.



3. BACKGROUND

3.1 CAAHC and Housing

When CAAHC was established in 2010, the organisation was responsible for the delivery of both Tenancy Management and Property Management services on the Alice Springs Town Camps under a single contract with Housing. This meant we were the only contact point for tenants for any aspect of their tenancy and that we were accountable to both. When tenants had a repair issue our own Housing Maintenance Officers would attend. This structure was efficient, effective and delivered good results for tenants and Housing.

In December 2012, Housing split this contract into two; Tenancy Management and Property Management services. This created enormous problems and meant tenants would now deal with two separate contractors – CAAHC as the Tenancy Management contractor and Ingkerekke as the Property Management contractor. If you added the multiple contracts for the Tenancy Support Program to the mix, another three organisations were placed within the frame. This created more confusion for the tenants and multiple layers of system navigation for the tenants and all the service providers involved.

For example, when the new contracts came into effect it was unclear on whom tenants would contact for repairs; as it was not clearly scoped in either contract. It became apparent very quickly that the tenants were struggling to report their repairs; and due to language barriers, inability to communicate actual concerns or the hotline staff not understanding the exact nature of the repair required. This led to confusion and frustration.

In early 2013 after advocacy from CAAHC, the organisation took on the role of running a Maintenance Helpdesk to convey maintenance requests from the tenant to NT Housing. CAAHC received an additional fee to cover the role of the Maintenance Helpdesk.

3.2 CAAHC Management's experience

When we arrived in Alice Springs in 2015 we were under the naive impression that CAAHC 'managed' the tenancies on the Town Camps. To us 'manage' meant tenancy management from A to Z – Repairs and maintenance, rent collection, allocations, vacancy management and more. Initially we did not understand that Housing controlled the tenancies, and CAAHC were simply akin to sub contracted agents implementing the 'public housing model'. For the first couple of months we stood back trying to observe and understand the complicated vagaries of the contract that CAAHC had with NT Housing.

What we were presented with was a compartmentalised and fragmented arrangement where NT Housing had responsibility for certain aspects of the tenancy management process and CAAHC performed the tasks that were mainly the face to face components of the tenancy management continuum. Our observation was that the arrangement was riddled with inefficiencies, double handling, red tape and processes that delayed good outcomes. Where CAAHC was expected to act with relative urgency there was little reciprocal urgency offered to us by NT Housing.



Quite quickly we concluded that the arrangement was simply the most diabolical, confusing, disempowering arrangement we had ever come across; not just for CAAHC as the service provider, but most notably for the tenants on the Town Camps.

The application of a public housing model on the Town Camps was a terrible mistake; people who were accustomed to having a community response to their housing were required to have individualised contracts and assume a high level of individual responsibility without any obvious reciprocal rights.

We observed that the public housing model's emphasis on 'compliance' created a system where people had to prove themselves as being 'worthy' rather than receiving a preferred base line response; that housing is a human right and everyone in our country is worthy of a home.

The following is a break down into our specific observations and experiences working on the Town Camps Tenancy Management Contract.



4. REPAIRS AND MAINTENANCE ISSUES

This section explores the specific repairs and maintenance issues experience through CAAHC's work with Housing on the Town Camps.

4.1 Responsive Repairs and Maintenance

The phrase 'too many cooks spoil the broth' is an accurate description of the responsive repairs and maintenance process on the Town Camps. With the division of Tenancy Management and Property Management contracts from December 2012, the process became more complex for tenants and less effective for all. The general process is shown below:

- 1. Tenant reports repair to CAAHC (TM Contractor)
- 2. CAAHC reports repairs to Housing
- 3. Housing issues work order to Ingkerreke (PM Contractor)
- 4. Ingkerreke contact tenant and complete work
- 5. Ingkerreke invoice Housing for work
- 6. Housing pay invoice

There were many issues with the responsive repairs and maintenance system:

- No feedback mechanism After CAAHC reported a repair to Housing there was no automatic feedback from Housing to confirm the status of the repair. We could not simply determine if a work order has been raised, if the contractor had attended the property and if the work had been completed. Despite efforts to improve this by CAAHC, Housing prohibited contact directly with Ingkerreke. As the primary contact for tenants we could not provide up to date information on the status of repairs. This created duplication of work and was time intensive for all involved in the process.
- No quality assurance or quality control You will note there is no step in the above process for Housing to check the work conducted by Ingkerreke before payment. It was evident through discussion with Housing's repairs and maintenance staff that there was no role or mechanism in place to inspect or review reactive maintenance repairs. On several occasions, CAAHC would follow up the status of a repair with Housing to be told that the job was complete and the invoice paid, only to find the work had not been done.
- No shared management system / no use of technology Each party to the above process used their own management system to record repairs and maintenance. Not only did this duplicate work but, it also compounded the lack of information shared relating to the status of the repairs. It should be noted that the use of online, shared repairs and maintenance systems is very common in other jurisdictions and community housing providers.
- Finger pointing and passing the buck With the division of responsibility came a lack of accountability. It was common for Housing to 'pass the buck' to both CAAHC and Ingkerreke when repairs and maintenance was not delivered appropriately. However, as the landlord and intermediary in the process, Housing had ultimate responsibility to ensure properties are maintained in a safe, secure and habitable way. This was failed to be done on many occasions and Housing's role and responsibility was frequently neglected.



- **Timeframes were often not met** When there several parties involved in a process timeframes blow out. During our contract Housing worked to the following timeframes for repairs and maintenance:
 - Emergency = attend now
 - Immediate = within 4 hours to 'Make Safe'
 - Urgent = within 2 days
 - Routine = within 10 days

The above timeframes for repairs and maintenance were often not met – Including those that were deemed 'Emergency' and 'Immediate'. However, the greatest number of repairs that were not within timeframe were those classed as 'Routine'. Often when CAAHC would follow up overdue repairs Housing staff would ignore this fact – Meeting these service goals was not a priority for Housing and often the Property Maintenance contractor was handed the blame.

Under the new contract structure, there will now be additional parties to the process – Namely the insertion of a Housing Maintenance Contractor (Tangentyere Construction). Whilst we believe that this addition will improve responsiveness for routine repairs, this change will not eliminate the issues raised above.

4.2 Vacancy Repairs and Maintenance

During the 12 months we oversaw the Tenancy Management contract on behalf of CAAHC, the delivery of vacancy repairs and maintenance was a constant issue.

Poor timeframes for vacancy repairs

CAAHC's role in vacancy management was to process applications, coordinate Housing Reference Group meetings with Town Camp leaders and then manage the collection of rent and bond money once the application was approved (we note that these services were not included in the contract, rather a historical expectation). At the point where a tenant had been approved by Housing and the tenant had commenced payment toward rent and bond, Housing would be advised and the process to repair the house to a tenantable state would commence – The timeframes for completion of vacancy repairs were ludicrously long.

There were numerous times where prospective tenants were waiting up to four months for a house to be repaired before they could move in – It's important to remember that these people were normally homeless, either overcrowding another Town Camps house or camping in the local area.

Despite this fact and the continuing rental loss, there was minimal concern to have vacancy works done within a reasonable time frame. Again, much of the blame was left at the feet of the Property Management contractor, Ingkerreke, despite Housing being responsible for managing the performance of this contract.

For example, when CAAHC completed the contract hand back to Housing on 1 February 2016, there were five tenants awaiting vacancy repairs to be completed. All of the five had paid their bond and



rent in advance before Christmas. To date CAAHC is still holding this money as Housing have not yet completed the vacancy repairs – This means each tenant has been waiting approximately 3 months.

Poor standards of housing at lease commencement

Often the extent of vacancy works completed was the bare minimum leaving the standard of housing poor. On many occasions new tenants would find that repairs had not been completed before lease commencement and the condition of properties was very poor – See the below example.

In October 2015, a young mother and her two children moved into a home at Larapinta Valley. According to Housing all vacancy works had been completed and the house was ready to move in. When the tenant arrived to the house she found that there was offensive graffiti on the outside of the house – 'FUCK YOU' was repeatedly scrawled on the walls. This damage was not new and had been there since the home was vacant. When we reported this issue to Housing, their response was 'OK, we will follow up with the contractor' – This demonstrates the lack of accountability for the standard of housing being leased.



We note the Article 25 of the United Nations Declaration of Human Rights states:

"Everyone has the right to a standard of living adequate for the health and well-being of themselves and their family"

Sadly, there were occasions when Housing did not meet this standard.

4.3 Planned or Preventative Maintenance

Through our dealings with Housing and Town Camps residents it is clear that there is no planned or preventative maintenance programme currently rolled out on Town Camps. For example, town



Camps tenants often complained that regular servicing was not done on mechanical items, such as air-conditioning, even though this was the practice 'pre public housing'.

It is a well known fact that homes on the Town Camps experience a higher than normal occupancy rate and therefore more wear and tear on components. These houses are 'hard lived in' and yes, while deliberate damage does occur, treating people as if every piece of damage has been done on purpose is disrespectful and inconsiderate of the way of life of the tenants.

Evidence tells us that a different approach to the asset management of Aboriginal housing is needed and this involves the practice of preventative maintenance, such as the Housing for Health Program¹ – This approach is not taken on Town Camps.

The impact of not performing preventative maintenance does not just affect the asset – More importantly it affects the health of tenants and the general community. The importance of this was highlighted in the findings of the Inquest into the death of Monica Presley in 2007². Monica was a seven year old child who was killed by a faulty air conditioner in a Housing property in Tennant Creek.

As part of Housing's response during the Inquest; Housing outlined to the Coroner seven commitments related to planned and preventative maintenance including;

- 'Territory Housing is 'shifting its emphasis from a reactive to a pro-active approach by increasing the emphasis, and expenditure, on planned maintenance, in the expectation of decreasing the level of unplanned repairs'.
- (Territory Housing is) 'to develop and implement a planned maintenance and replacement program in conjunction with other jurisdictions in Australia. The consultative process to start this has already commenced. (2007)

Both recommendations indicate that Housing would implement a planned maintenance programme however; there was no evidence of this on Town Camps.

¹ <u>http://www.housingforhealth.com/the-guide/health-housing/</u>

² <u>http://www.nt.gov.au/justice/courtsupp/coroner/findings/2007/20070628presley.pdf</u>



5. BROADER ISSUES

"THE PEOPLE ARE NOT THE PROBLEM. POOR LIVING ENVIRONMENTS AND POOR HOUSING ARE THE PROBLEM. IT IS A 'CONVENIENT MYTH' THAT INDIGENOUS PEOPLE VANDALISE THEIR HOMES."

- PAUL PHOLEROS, FOUNDER OF HEALTH HABITAT

5.1 Housing's corporate culture and understanding of social housing

One of the most profound observations during our time working with Housing was the general lack of understanding of social housing, the people it serves and what social and economic benefits it provides for the community.

People vs Assets

Good practice in social housing management puts the person first. This is not a revolutionary approach. It's the fundamental principle of good service - Treat people with honesty, empathy and respect and positive outcomes can be achieved. The outcomes that Housing would like from a sustainable tenancy – e.g. payment of rent, maintenance of the home and engagement in the community – can only occur if a person centred approach is taken. It isn't.

In our experience, Housing staff see the organisation's primary focus as the asset – Similar to a corporate or institutional landlord. This approach polarises appropriate service delivery and forgets the purpose of the organisation.

To ensure the competing priorities of service delivery and asset management do not compromise the purpose of delivering social housing, several state governments have split the two functions, assets and services; for example, in South Australia. This ensures the service delivery arm focuses on the needs of people, which in turn will deliver better outcomes for the asset.

EXAMPLE

Housing's misguided approach as a social housing provider is demonstrated in its Priority Housing Application Form which requires applicants to provide 'Two satisfactory tenancy references' as part of their application.

This demonstrates a complete misunderstanding of social housing and the types of issues a person may be facing while seeking priority housing – For example, domestic violence and/or homelessness. Ironically, this creates a barrier to helping those identified by Housing as being in the highest need groups.

Accountability starts with Housing

In any good relationship, and indeed successful tenancy, there is an expectation of equity and fairness. When one party doesn't hold up their part of the agreement, this does not mean the other



may automatically 'drop the ball'. However, over time when one party does not live up to their responsibilities, it is understandable the other may also take this path.

This is what has occurred in the Town Camps. Housing show a lack of regard for repairs and maintenance and this translates into tenants also then showing a lack of regard for their responsibilities under the lease – This is demonstrated in the example above.

We believe this attitude is born out of a general misunderstanding of Aboriginal people living on Town Camps – One filled with mistrust and stereotyped views. Often, Housing staff would assume that repairs and maintenance was the fault of the tenants. On some occasions it was, however the majority of repairs (over 80%) were caused by normal wear and tear and the lack of preventative maintenance.

Unfortunately, some Housing staff also applied a paternalistic approach to CAAHC as the contractor. The relationship was not one of equality or partnership. For example:

- CAAHC had to wait lengthy periods for NT housing to grant approvals for allocations, maintenance and rebates
- Over the last 8 months of our contract, Housing was slow to respond to requests for contract management meetings and providing the reports we required to complete our reporting.
- Housing would often be late in processing payment of our contracted fee.
- There was almost no consideration for the continual, short term extension of our contract. This meant CAAHC had no capacity or certainty to replace staff that left due to natural attrition.

CAAHC raised these issues with key Housing staff on many occasions; however, these concerns were not addressed.

5.2 Public Housing policy and Aboriginal people

Housing's policy framework for managing tenancies on Town Camps could be summed up as a 'one size fits all' approach. While some policies have been 'tweaked' to acknowledge Town Camps or remote housing, it is clear that no strategic approach has been taken to develop appropriate policies for Aboriginal people.

In our time working with Housing on the Town Camps we often questioned policies and decision making relating to Town Campers when it would unfairly disadvantaged the individual. The mantra for maintaining policy inflexibility was "we are trying to 'normalise' the Town Camps" – This was a phrase we heard often.



EXAMPLE

In early 2015 I was asked by one of our Tenancy Managers to seek approval for the back dating of a rent rebate. The tenant had been away on country for ceremony for approximately 8 weeks and had not provided a rent rebate application before the due date.

The tenant had now provided her income details which showed that she was still in receipt of Centrelink benefits and I called Housing to have the back date approved.

I was stunned to be told that the rent rebate would not be back dated. When I explained that the tenant could not afford to be charged 8 weeks of market rent I was told by the Housing staff member 'Well at the end of the day it's the tax payers money'.

We believe Housing's 'normalise' mantra is borne from a misinterpretation of the National Partnership Agreement on Remote Indigenous Housing³ (NPARIH) which states:

"Normalised service arrangements mean that a remote Indigenous community is serviced by municipal and essential services delivery arrangements that are accountable through an agreed framework and **reflect a standard of service delivered** to non Indigenous people in communities of similar size and location."

The NPARIH does not state that the *policy* for service delivered is to be normalised, rather the *standard*. That is Aboriginal people should expect to receive that same standard of service as non-indigenous people. To achieve this standard and the objectives of the NPARIH a tailored and appropriate housing policy framework needs to be developed.

Again, this is not a new concept – Research on this issue conducted by the Australian Housing and Urban Research Institute (AHURI)⁴ in 2011 states:

"Mainstream housing policy settings in urban contexts are largely undifferentiated and not responsive to the needs and preferences of Indigenous clients. There is scope for much more adaptation of policies and local flexibility to allow for cultural values, preferences and lifestyles and to improve client outcomes"

Housing has not taken adequate steps to implement an appropriate, culturally aware, policy framework.

3

http://www.federalfinancialrelations.gov.au/content/npa/housing/remote indigenous housing/national part nership variation.pdf

⁴ <u>AHURI, Urban social housing for Aboriginal people and Torres Strait Islanders respecting culture and adapting</u> <u>services</u>



6. Opportunity for change

This review by the Public Accounts Committee has terms of reference relating to the Repairs and Maintenance issues in remote housing and Town Camps; and no terms of reference that relate to the rest of housing service delivery

What this does is acutely emphasise the way that housing service delivery in these communities is fragmented. It is split into R&M, tenancy, support and Housing presiding over the whole of service delivery; four separate silos responsible for four parts of the housing process.

CAAHC would like to propose a new way for delivering housing services to Aboriginal and Torres Strait Islander communities in the Northern Territory.

We believe a new model; one which has been tried and tested and succeeded across Australia, could be the answer, not only to R&M but to communities as a whole.

Let the pendulum swing again

The Public Accounts Committee has the opportunity to ask inquisitorial questions, interrogate the written and oral evidence and also make recommendations. They have the opportunity to recommend change; and change always brings opportunity.

The pendulum of social theory swings from one side to the other and often settles on a middle ground to create the best outcome.

Aboriginal and Torres Strait Islander housing in the Northern Territory has swung from the old days of IHANT and settled on five or more years of Housing control. While each management system had its strengths and weaknesses, neither option created and sustained desirable outcomes for Remote or Town Camp communities. This is why the Public Accounts Committee has been called to examine evidence in March 2016. If not for wide spread concern such a committee would never need to be called.

CAAHC would like to propose a re-generated community-housing model for the Remote and Town Camps communities that has been tried and tested in many other states and communities across Australia.

Community Housing Federation of Victoria's paper, Making the Case for Public Housing Transfers to Community Housing Organisations⁵, states:

Internationally, the best social housing systems have evolved to become dynamic, community-based corporatised models led by the community and not-for-profit sector, in partnership with state housing authorities.

Community Housing's distinguishing characteristics include:

⁵ <u>http://www.chfv.org.au/database-files/view-file/?id=5986</u>

Submission to Public Accounts Committee - Legislative Assembly of the Northern Territory Inquiry into Housing Repairs and Maintenance on Town Camps



- Delivery of high levels of tenant satisfaction;
- Organisations regenerate communities and build engagement;
- Asset management and planning capabilities allow the value of the transferred properties to be realised;
- Access to Commonwealth Rent Assistance and tax concessions supports cost effective delivery of social housing;
- The ability to raise private finance and confidently service debt means the sector is not a liability for the Government or a regular feature on the Government balance sheets;
- Independent and transparent regulation of the sector' (as per the National Community Housing Regulatory System)

Adequately funded, resourced, governed and regulated community housing organisations could achieve the above outcomes for Government and Aboriginal Torres Strait Islander people in the Northern Terriroty. The community housing sector in Australia is now a very sophisticated player in social and affordable housing provision. This sector is driven by social imperatives and is strictly regulated by the Commonwealth driven National Community Housing Regulatory System.

The NT Government is over 15 years behind the other states when it comes to supporting the community housing sector. But why are our counterparts in other states supporting this model⁶? Because it saves money, it provides a better service and creates social cohesion and opportunity amongst communities. Community Housing is regulated, professional and increasingly sophisticated. The NT Government is now considering Community Housing as an answer to urban housing management as part of its Housing Review platform. So, why not Remote and Town Camp communities as well?

To ensure community housing organisations managing Remote and Town Camp communities are well established, transparent and viable the NT government could:

- Make a commitment to support and develop the Community Housing Sector to provide a range of social, affordable and other housing products for low income Territorians; including Town Camps and Remote Housing.
- Establish a dedicated Project Team or Directorate for Community Housing within NT Housing to implement policy and support the Community Housing Sector
- Facilitate the means to expand the growth of housing assets in the sector
- Dedicate support for an emerging Aboriginal Torres Strait Islander community housing sector
- Offer full support of the National Regulatory System for all organisations wishing to become or grow their community housing organisations
- Provide seeding or grant support for Community Housing Organisations to develop, establish or improve their infrastructure and organisational capacity.

⁶ <u>http://www.ahuri.edu.au/ data/assets/pdf file/0015/2256/AHURI Final Report No215 Public-housing-transfers-past,-present-and-prospective.pdf</u>



One provider, connected to a community of people or a region, independent of Housing, to oversee every aspect of tenancy and property management on Town Camps and Remote communities would mutually create the outcomes that the government, communities and residents expect in the management and maintenance of their homes.