

Response to the Social Housing Management Transfer Program Evaluation

As the peak body for not-for-profit community housing providers (CHPs) in NSW, the Community Housing Industry Association NSW (CHIA NSW) is proud to represent a purpose-driven industry that owns or manages over 54,000 homes for families and individuals living on low incomes. This includes one-third of the state's social housing portfolio.

The Social Housing Management Transfer (SHMT) Program was initiated by the former NSW Government to create a stronger, more resilient social housing system. Consistent with this purpose, the key objectives identified by the former NSW Government were to:

- Improve the sustainability of the social housing system by harnessing additional Commonwealth Rent Assistance (CRA) funding from the Commonwealth Government that was previously unavailable to the social housing sector in NSW;
- Leverage CHPs' community networks to better support vulnerable tenants;
- Sustainably build the capacity and resources of the community housing sector
- Bring the creativity and innovative thinking of the community housing sector into the social housing system;
- Support the development of a more sustainable, dynamic, diverse and integrated social housing system for NSW; and
- Build a system that delivers better long-term outcomes for social housing tenants and applicants.

CHIA NSW and the SHMT CHPs support the NSW Government's ongoing commitment to evaluate the 20-year program. We share the NSW Government's view that evaluation should be regularly undertaken to ensure that programs are achieving their intended outcomes and are providing a social benefit to the people of NSW.

When an evaluation is well-designed and is closely aligned with program objectives, the evidence can be confidently used to drive service improvement and innovation at an organisational and industry-wide level, thereby contributing to better homes, services, and outcomes, for individuals, families, and communities.

CHIA NSW and the SHMT CHPs welcome the recognition of the industry's early successes in delivering high-quality homes and services through the SHMT Program. We also acknowledge the lessons learned through this initial stage of the evaluation and look forward to providing high-quality homes and services to all residents over the life of this Program.

In the spirit of ongoing collaboration and continuous improvement, we have identified some outcomes that have not been fully captured in the evaluation report, which highlight the early successes of the SHMT Program. We also outline our considerations by which future evaluations may be improved.

Measuring the benefits of the SHMT Program to NSW

Future SHMT evaluation reports should consider the significant benefits accruing from additional Commonwealth Rent Assistance (CRA) being leveraged into the system as a result of the management transfers.

Accessing CRA is a clear objective of the SHMT program. Many of the high-quality tenancy management, asset management services, and support services provided by CHPs are made possible using income from CRA – which is only available to CHP residents, not public housing residents. This is additional funding that is invested by CHPs into creating a stronger social housing system and is only available because of the SHMT program.

The evaluation report's findings that the SHMT program is marginally more expensive to deliver over 10 years is questionable based on the incomplete benefit measures used in the evaluation. However that finding is completely contradicted when the exclusion of the CRA from the economic analysis is properly included.

CHIA NSW notes that the exclusion of CRA from the evaluation's cost-benefit analysis contradicts the latest NSW Treasury's *Policy and Guidelines: Evaluation (TPG22-22)*, which recognises that economic evaluations should assess the benefits of programs to the people of NSW.

Whilst we recognise that the estimates of CRA's benefits can vary, our own analysis estimates that CRA will deliver an estimated \$1.15 billion (adjusted for inflation) in value over the next 20 years. This is similar to the former NSW Government's own estimates of approximately \$1 billion, which was based on analysis published in 2015-16.

We acknowledge DCJ's recent commitment to undertake additional analysis that measures the societal benefits associated with CRA. Whilst CHIA NSW has not been consulted on the approach and methodology underpinning this new analysis, we recognise this is a positive first step towards measuring the real value of the SHMT program in future evaluation rounds.

CHPs are committed to continual improvement and innovation

CHPs are committed to continuous innovation and improving their homes and services, as guided by the latest data and evidence. Whilst the SHMT evaluation report is largely based on historic data from 2020-21, the report's findings are assisting CHPs to build on the early successes and lessons learned to deliver even better outcomes for residents and their communities.

It is important to note that the SHMT Program was designed to meet specific objectives for the NSW Government, residents, the community housing sector, and the broader social housing system. It has made strong gains in each of these areas, and these outcomes continue to grow in both scale and quality. However, the evaluation has largely been focused on a different set of expected outcomes, derived from the *NSW Human Services Outcomes Framework*, which fall outside of the contracted objectives and outcomes previously agreed with SHMT CHPs.

While there may be good reasons to amend objectives and expected outcomes during program implementation, it is vital these changes are negotiated and agreed in partnership with CHPs, so they have sufficient time to adjust their service delivery, reporting and monitoring practices, before these outcomes are measured.

Evaluation serves a vital purpose in ensuring that programs like the SHMT can be strengthened over time, so they achieve their intended outcomes. Accordingly, it is important that the evaluation framework also evolves to capture the full benefits of the SMHT program over the coming years. This includes documenting qualitative outcomes and ensuring indicators are fully aligned with program objectives. The evaluation framework should also include a greater emphasis on measuring contracted outcomes and identifying the success factors and areas of improvement aligned to these important outcomes.

While there are lessons to be learned, the SHMT Program has led to better outcomes for residents across a range of measures, despite the challenges of the COVID-19 pandemic.

The SHMT Program has demonstrated the benefits of management transfer programs for residents. With a social housing waitlist of nearly 58,000 households in NSW, record low vacancy rates and sky-rocketing rents in the private rental market, the role of the community housing industry has never been more important.

CHPs provide holistic support that goes beyond providing people with a roof over their head. Residents living in homes transferred through the SHMT Program were able to participate in programs that developed connections with their community and benefited from significant maintenance and repairs that improved the quality of their homes. This has led to overall improvements across satisfaction and wellbeing measures.

These outcomes were delivered against the backdrop of the COVID-19 pandemic, a period when statewide restrictions created significant obstacles, such as accessing properties to undertake repairs and maintenance, supply issues, and extra pressures on wellbeing and mental health across society in general.

People living in community housing homes are happier with their homes compared to people living in public housing.

Resident satisfaction has increased by more than 10 per cent as a result of the SHMT Program. In fact, across every measure reported in the evaluation, people living in homes that were transferred to CHPs reported higher levels of satisfaction compared to people living in public housing. This included satisfaction with their neighbourhood, communication from their provider, and feelings that their provider listens to their views and acts on them.

Support from community housing providers that goes beyond just a roof over their head.

People living in community housing are better supported through additional support services provided by CHPs. Wellbeing-centred support underpins the tenancy management approach adopted by CHPs, which enables CHPs to work alongside residents to regularly identify their needs and additional support services that may be required to help people to successfully sustain their tenancies.

Since the SHMT Program commenced, residents have benefited from access to CHPs' Tenancy Support Coordination initiatives. Across NSW, SHMT CHPs have established nearly 300 partnerships with support services, such as health services, family services, aged care, and disability services. This extra support leads to people being better able to create successful futures for themselves, and means they stay in their stable homes for longer.

Better connection between people living in community housing and their community.

CHPs deliver innovative programs and services that give families and individuals living in community housing the opportunity to participate in the social, economic and cultural lives of their communities. This includes support gaining employment, social programs to prevent isolation and reference groups to give residents a voice. This extra support leads to people being better able to create successful futures for themselves, and means they stay in their stable homes for longer.

Across NSW, SHMT CHPs are collectively delivering over 200 community engagement and resident participation initiatives, all of which are available to their residents in SHMT Program locations. These programs and initiatives help to foster thriving, cohesive communities.

People living in community housing benefit from high quality repairs and maintenance services.

The condition of social housing properties transferred to CHPs has vastly improved. By 2023, CHPs had invested an estimated \$92.7 million in repairs and maintenance to improve the condition of these properties.

Repairs and maintenance are one of the key drivers of resident satisfaction, meaning it remains a high priority for ongoing investment by CHPs.

Delivering more homes and services for people in greatest need

The management transfers have enabled CHPs to significantly enhance their capacity and capability to manage more homes and tenancies at scale. It has strongly positioned them to continue partnering with government, private industry, and institutional investors to deliver new, more complex initiatives.

CHIA NSW analysis shows that since 2012, CHPs in NSW have leveraged more than \$2 billion to deliver new social and affordable housing across the state for people living on low incomes.

Final observations

Safe, secure and affordable housing provides the foundation for families and individuals to thrive and creates a more cohesive society.

CHIA NSW and our member organisations look forward to continuing to work with the NSW Government to deliver on our shared objectives of creating more homes, better resident outcomes, and a strong and sustainable social housing system that meets community needs, both now and into the future.

Mark Degotardi

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