CHIA Response - Community Housing Data Strategy

Response to the Community Housing Data Strategy Consultation Paper

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Introduction

CHIA is the peak body representing not -for-profit community housing organisations (CHOs) across Australia. Our 150+ members manage a $40 billion-plus portfolio of more than 118,000 homes, housing people on low incomes, disadvantaged in accessing suitable accommodation in the private market.

The Community Housing Industry Association (CHIA) welcomes the opportunity to respond to the Community Housing Data Strategy Consultation Paper. The response builds on the feedback our CEO has given during her participation in the time limited group convened to assist in the strategy development. The submission also incorporates feedback from our Board directors and has been informed by conversations with our colleagues at CHIA Victoria. CHIA Victoria are making a separate but complementary submission which we support.

Given the consultation is occurring at an early stage of the review process, we have in the main used the submission to outline the issues the strategy should address. We have however made a few specific recommendations on data and definitions.

The strategy is both necessary and long overdue. CHIA has made submissions to the six reviews identified in the consultation paper and, in every one has made suggestions / recommendations for data improvement. Our responses are available from the CHIA website. The absence of easily accessible, informative, and good quality data about the community housing industry has led peak organisations to invest in the collection and production of our own resources. This has included:

- CHIA NSW's HouseKeys benchmarking platform and data dashboard
- CHIA's national data digest
- The sector's ESG reporting framework due for completion September 2022
- The social and affordable housing benefits calculator

Information about the last two initiatives is available here. CHIA is pleased that the strategy 'will be developed in consultation with the community housing sector' and looks forward to making further contributions.

The submission is structured in accordance with the consultation paper but first CHIA reinforces the fundamental need for a clear and accurate definition of 'community housing'.

Establish a clear definition of community housing

CHIA is pleased that the consultation paper proposes a definition of community housing that accords much more with the sector's. **It is critical that the strategy recognises that community housing is a provision model** (in past parlance – a landlord type) not a housing type. Later in the paper it isn't clear the distinction is completely understood. For example, on page 7, one of the possible aims for improving a national evidence base is said to be to 'inform possible future improvements to the provision of community housing' when it should read 'provision of housing managed / delivered by CHOs'.

Community housing organisations (CHOs) manage housing which typically could be categorised as social rental, affordable rental, transitional, specialist disability accommodation and / or crisis. There may also be small amounts of market rental and other types – e.g., independent living). In our view it is important not to confuse the two distinct dimensions of rental housing: firstly, the nature (governance) of the responsible organisation; and, secondly, the terms on which properties are accessed/occupied (level of rent in relation to market price, duration of tenancy).

In a response to an earlier version of the consultation paper CHIA also proposed that the definition used for CHOs should be restricted to those organisations that are formally registered with the National Regulatory Scheme for Community Housing (NRSCH) or the equivalent frameworks in Victoria and Western Australia). We note this is the approach being taken in the consultation paper. However, in addition we also argued that CHO should only be applied to registered *not-for-profit* housing providers. For-profit registered organisations are currently few in number but it's important in principle that these are not classed as CHOs. We also do not recognise as CHOs, non-registered not-for-profits. If the intention is to collect information on these other organisations another term should be used by the AIHW (and others) to avoid confusion – perhaps 'non-government providers of non-market housing'. If this approach is taken then there should be sufficient contextual information collected, so that data on CHOs can be extracted.

In that earlier response we also asked the question 'What is of interest - the organisation or the terms on which the accommodation is occupied?' The characteristics and target groups of the housing types mentioned above (e.g., social rental and affordable rental) are quite different and jumbling them up together for certain of the current indicators (as is currently the case) will make interpretation difficult.

To be clear, in this response when we refer to CHOs we are using the term to refer to registered not for profit organisations. Also, to be clear we are not speaking on behalf of ICHOs whose response will come from their peak body – NATSIHA.

. Improving the national evidence base - the most critical issues to be addressed in a strategy

These are the main issues we believe should be clarified, addressed and tackled in a community housing data strategy.

The strategy scope needs to be articulated and agreed upon. Our understanding is that while the review was motivated by the National Housing and Homeless Agreement (NHHA) the aim is to consider not just what data is required to review its outcomes, but also to meet other reporting requirements. This should include data that is necessary to inform the proposed national housing plan, to assist the National Housing Affordability and Supply Council, to assist CHOs to review and benchmark their operations and services, to make regulation more efficient, provide institutional investors with information about the sector and

anticipate future reporting requirements such as the introduction of energy efficiency ratings disclosure requirements.

CHIA would support a comprehensive strategy if the actions are staged over several years and there are clear priorities for data improvements and, the sector is recognised as a key player (and potentially lead) for some aspects. For example, CHIA NSW is well placed to lead on the sector benchmarking platform and the CHIA led ESG reporting framework will be critical piece to demonstrate the sector's performance to investors.

There needs to be a clear explanation and description of the roles and responsibilities of the various organisations, government departments and agencies that have a stake in the strategy. We are particularly interested in the role NHFIC / Housing Australia will play in reporting national data about CHOs. We believe there is potential for collaboration between NHFIC's research arm, the regulator and the sector to improve on current annual sector reporting and for NHFIC to play a significant role in implementation of the strategy. Until there is consistency in data definitions between states and territories, it will remain a challenge to report nationally on the sector. In the meantime, CHIA is hoping to work with NHFIC to build on the 2020 data digest.

The strategy should also specify how data integrity (reliability and accuracy) is achieved and maintained.

The strategy should identify the improvements needed to collect, analyse and report on data by government and the sector. Clearly a priority is to invest in an improved IT system for the NRSCH and to support improvements to systems used by CHOs. Important is ensuring that systems for collecting data are aligned with the major suppliers of IT systems to the sector. CHIA NSW and CHIA VIC are collaborating on a Digital Transformation Project for the sector that is due to report later this year and could provide insights to inform the strategy.

The strategy also needs to **include a process for improving the transparency of sector data**. This has started with the Victorian registrar of housing publishing individual CHO performance reports. The sector should be involved in this. The obvious place to start is publication of contextual data such as property data.

Implementation of the strategy should be overseen by a cross sector group and involve the community housing industry.

. Data Needs

CHIA has identified priorities for data improvements below. However, we believe that a more systematic approach is also necessary (and is perhaps underway) to identify the precise shortcomings of the current reporting systems. For example, the report on Government Services (ROGs) data, evident from the extensive footnotes and which severely qualify the comparability of many statistics between jurisdictions – or over time. If the intention of the strategy is broader and includes regulatory data for example, a similar exercise is required. We have previously suggested producing a discussion paper outlining proposals for improvement to be then tested by key stakeholders. Such a paper will need to address this.

This is a non exhaustive list of improvements and is in addition to the basic problems highlighted above, associated with inconsistent definitions of community housing organisations and what dwelling types should be included:

- There are some particularly problematic tables in the ROGS - the information on expenditure is meaningless (see 18A.45 for example) and needs replacing and the information on occupancy rates (18A.11) bears little resemblance to information collected by regulators suggesting problems with how this is collected in some jurisdictions.
- Establishing dwelling numbers, separately by housing type (social, affordable etc) and ownership (CHO, state government, private landlord etc). The property data breakdown that CHOs have to provide when reporting under the NRSCH is a good starting point. To ensure that the breakdown is future proofed it would be sensible to also capture the low cost home ownership units that CHOs are developing / managing such as shared equity and 'build to rent to buy'.
- We are aware there is interest in collecting more information about evictions from social and affordable housing. Given the reputational risk associated with the anecdotal reports that occasionally circulate about the sector's performance we are open to a discussion on the options for more robust information being collected and reported.
- Statistics to reveal the dynamics of stock change over time – dwellings added to the stock (construction completed or acquired), and homes lost to demolition or sale (note that this crucially needs to be part of a larger project to collect and publish equivalent statistics for housing developed, demolished or sold by states and territories too)
- Perhaps more aspirational is information on development funding for newly built social and affordable dwellings – see the English example below https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply

Albeit that it might need to be argued that this should be included within the scope of the project, another critical 'community housing data' concern is waiting list statistics. Clearly there is considerable variation between the states in priority need and eligibility criteria that complicate comparisons but – as in relation to dwelling data (see above) – consideration should be given to complementing point in time figures with statistics more revealing in terms of waiting list dynamics:

- New applications added in year (in theory including previously suspended applicants as well as new applicants)
- Applicants removed in year – broken down to reveal the distribution according to the reason for removal (e.g., rehoused in social housing, suspended from list, application withdrawn.

Until the fundamental basic data needs are addressed, we do not believe there should be an extension into collecting data in other areas. The sector's proposed ESG reporting framework should however, extend the information in the public domain.

We caution on reporting individual tenant outcomes in areas such as health and wellbeing as there is still considerable debate about the relative contribution of a housing / accommodation service, support services and other specialised assistance / interventions such as mental health services. In the meantime, the social benefits work CHIA is engaged in will provide estimates for different population cohorts based on peer reviewed research findings.

. Other

Data Alignment, and sharing

The strategy should seek to embed the principle of "report once use many times" for CHO data that is currently collected / required by multiple agencies / organisations. This may require alignment of definitions and timetables. Sharing of data should be the set out in MOUs.

Over the longer term there may be scope for one organisation to collect all / most data on behalf of different agencies particularly if this results in a streamlined mechanism for CHOs submitting data.

We have made clear that there is no reason why there cannot be common definitions of community housing, key performance metrics etc - this needs to be a first order priority for government agencies.

Tenants Survey

Apart from resolving issues identified earlier about the definition of community housing, CHIA thinks there is scope to improve the sampling and coverage, making this consistent across states and territories. There should also be a critical review of the questions. We would also suggest there is scope for a formal process to consider and report back on the survey findings. We suspect that the report is not used. The reporting of results in the ROGS needs improving to avoid misinterpretation. For example, the results on structural disrepair are commonly mistaken as from a stock condition survey.

CHIA NSW as you know have been arranging for tenants surveys for CHOs across Australia, which are accepted by registrars across all jurisdictions. We believe it is important for AIHW to engage with CHIA NSW to understand their methodology and also to help explain any differences in satisfaction findings.