



# SA Housing Authority Strategic Plan

2020-2025



Government of South Australia  
SA Housing Authority



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## Message from the Chair

I am pleased to launch SA Housing Authority's inaugural Strategic Plan.

*This exciting and ambitious roadmap to 2025 provides the vital framework to ensure the Authority succeeds to ultimately deliver better housing choices for all South Australians.*

This Strategic Plan and *Our Housing Future 2020-2030*; the State's housing, homelessness and support strategy; will guide the Authority, while allowing flexibility to find opportunities for strengthening its capacity and supporting innovation now and into the future.

The Strategic Plan not only articulates the Authority's vision and purpose, but clearly identifies five key objectives that define what it does and does not do.

The Authority's strategic direction is transparent, ensuring the organisation is accountable for its performance and strives to excel at its core business and regain its proud, historic reputation as a world-leading housing provider.

Whilst historical operational challenges have impacted on the public image of the government's role in social housing, SA Housing Authority is proactively repositioning itself as a modern, professional, effective and high-performing organisation with a social heart and a commercial mind. With the guidance and support of my Board, it is evolving a business mindset while putting people – and its customers – at the centre of everything it does.

It has been heartening to see SA Housing Authority diligently continue to deliver housing opportunities for South Australians while building its own capacity in its first two years. Michael Buchan and his people have successfully established a new agency and maintained core business, while defining a renewed commitment to ensuring South Australians can secure and sustain an affordable home as a base to help them reach their full potential.

I look back with pride at the work achieved by the Authority to date, and eagerly anticipate the success that the future promises with this, the release of the *SA Housing Authority Strategic Plan 2020-2025*.

**Gary Storkey**  
**Presiding Member,**  
**South Australian Housing**  
**Trust Board**





## Message from the Chief Executive

Since the Authority was formed in July 2018, the organisation and our people have experienced an exciting period of change and opportunity as we defined who we are, what we do and how we do it.

*The delivery of this Strategic Plan 2020-2025, and Our Housing Future 2020-2030, heralds a new phase for our organisation, and one in which we can settle into our role as leaders in the housing sector and set the pace for future progress.*

Building on the rich and proud history of the South Australian Housing Trust, SA Housing Authority continues to work to establish the right operating environment and frameworks to enable all stakeholders to work together to build new partnerships, new thinking and innovative solutions to our housing challenges. Our success will not only be dependent upon what we achieve, but how we achieve it.

Collectively, we have been on a significant journey, discovering and defining what is important to our customers and the communities and neighbourhoods within which we operate. Going forward, we must continue to reform our operations to ensure we value our customers, renew our assets, strengthen our partnerships and respect our communities.

Our Strategic Plan not only focuses on our immediate housing challenges, but also plans for the future to address the demand in the system. SA Housing Authority is helping people aim for - and achieve - better housing outcomes, so that social housing is not seen as the only solution but rather just one part of a housing mix which includes affordable housing, as well as opportunities in the private market.

I am proud to lead such a talented and dedicated staff who are passionate about improving housing opportunities and outcomes to provide better housing choices for South Australians.

**Michael Buchan**  
**Chief Executive,**  
**SA Housing Authority**



# About SA Housing Authority

## Who we are

Assisting people to achieve and sustain secure and affordable housing is an essential role of government. In South Australia, this role is led by SA Housing Authority. The Authority aspires to be a modern and innovative organisation, building on the rich history of the South Australian Housing Trust, which was created in the 1930s as Australia's first public housing authority.

An independent statutory corporation that reports to the South Australian Housing Trust Board and South Australia's Minister for Human Services, the Authority develops, implements and provides housing services for people who are at-risk of or experiencing homelessness, and works with government and non-government organisations to improve the standard of - and access to - housing across the State.

SA Housing Authority is a leader in the State's housing system. We lead by:

- enabling a reformed housing and homelessness sector which aligns with the State's 'Our Housing Future' vision
- being an exemplary housing provider, which demonstrates the State's principles and our own vision and objectives.

We operate as SA Housing Authority, however we provide housing assistance under the banner of 'Housing SA'.

## Our people

Through the South Australian Housing Trust Act 1995, the South Australian Housing Trust Board is responsible to the Minister for Human Services overseeing the operations of the Authority.

Our Executive Team is led by the Chief Executive of SA Housing Authority, Michael Buchan.

SA Housing Authority employs approximately 900 staff at its head office location and 20 Housing SA offices located throughout South Australia.

Critical to our success, we engage our people and partners with clear expectations of excellence, and will demonstrate discipline in maintaining a shared focus on new thinking and innovative solutions.

The Authority seeks to always provide a safe and healthy working environment for staff, and as our organisation evolves, we are committed to ensuring our workplace is gender-balanced and supports and celebrates the achievements of women across the organisation.

A vital part of this strategic planning and management process is committing to not only what we will do, but also how we will do it. It is important our people have the opportunity to generate new ideas and contribute to the behaviours that will support the successful achievement of our collective vision.



## Our customers

SA Housing Authority works with customers, the housing and homelessness sectors, government partners and the broader community to provide better housing opportunities for all South Australians.

The Authority develops, implements, supports and provides housing services for South Australians, including:

- social housing customers (public and community housing)
- people experiencing, or at risk of, homelessness
- people experiencing or escaping domestic and family violence
- those in need of crisis accommodation, including emergency relief
- people with complex housing needs, the vulnerable and at-risk
- low and moderate income earners requiring assistance in the private rental market
- people in housing stress
- market and affordable home buyers.

A key strategic focus is to better respond to the diversity of customer needs. This starts with understanding our customers, what services they require, and how they can best access those services when needed for the time needed. This will then enable the design and delivery of new service models targeted to need, so that we achieve the best use of subsidy.

## Our role

The Authority has a diversity of roles that broadly represent: supporting a well functioning housing system for low to moderate income households and direct service provision including management of over 34,000 public housing assets, aligned to government priority groups.

### System enabling role:

- provides housing strategy, policy development and advice to government
- administers grants and contract manages specialist homelessness and domestic violence services
- contract manages and supports the growth of the community housing sector
- supports the growth of affordable housing, including facilitating outcomes through the planning system, working with the financial sector to address barriers to home ownership and administering programs encouraging affordable housing.

### Service delivery role:

- manages public housing, Aboriginal housing and State owned and managed Indigenous housing (SOMIH) across the State, including remote and non-remote areas through Housing SA
- provides support for private rental
- regulates housing standards through the Housing Safety Authority
- administers emergency relief grants.

In defining our customer and service offer within a multi provider housing system, we can better design, fund and deliver joined up services together. With greater clarity about what we do and don't do, and what our partners and related service sectors do, we ensure a well connected system that delivers better outcomes for the customer.



## Our partners

We partner with government and non-government organisations and the private sector to improve the standard of - and access to - housing across the State, while always putting the customer at the centre.



# Strategic drivers

Driving the Authority to 2025 are the following principles:

- **Key outcomes of *Our Housing Future 2020-2030***, which aims to create a better housing future for all South Australians.
- **Key themes of the 2018 South Australian Housing Trust Triennial Review**, which highlighted the shortcomings of the system and identified the need to support a modern, multi-provider system that is transparent, integrated, sustainable and responsive to need.
- **Establishment principles of the Authority**, created to deliver a new whole of system focus, a new transparent, accountable and integrated structure, and a new sustainable model.

## Middle Circle:

Establishment principles of SA Housing Authority

## Outer Circle:

Triennial Review Key Themes





## Journey so far

SA Housing Authority commenced operations on 1 July 2018, combining housing strategy, policy, service delivery and asset management functions previously undertaken by two separate government agencies Renewal SA and the Department for Human Services.

The Authority was created with a clear goal to reform the housing system by:

- increasing the supply of suitable affordable housing
- modernising and improving the social housing system
- supporting a modern multi-provider system, and
- establishing an environment that promotes shared responsibility and ownership of the housing challenges South Australia faces.

During its first year of operation, there was a necessary focus on establishment work as the Authority defined a new system focus, including the appointment of a new Board and a Chief Executive, and the development of the organisational structure, strategic priorities and business plans.

But while the foundation was being built, work has been underway to support our transformation. In this next exciting phase, delivering the Authority's approach, the organisation will continue to provide vital housing services to customers and reset relationships with sector partners as it works to a new business model. From 2025, the Authority will look to grow its success, emerging with a new image as a world-leading housing provider and employer of choice.

## Transformation timeline

<b>Purpose</b>	<b>Building a foundation</b>	<b>2018-2020</b>
<b>New structure supporting a system focused on people</b>	<p>Developing a new strategic approach to pivot the system to focus on <b>people</b>.</p> <p>Establishing corporate capability/skills with new, integrated structure to support the State strategy.</p>	
<b>Position</b>	<b>Delivering our approach</b>	<b>2020-2025</b>
<b>New service and supply models with our partners</b>	<p>With greater transparency and sharing of data, the Authority can understand its customers and the costs of servicing them.</p> <p>Working with <b>partners</b> on a new, networked model that simplifies, coordinates and integrates (where appropriate), and better targets funds to appropriate service and supply models.</p>	
<b>Profile</b>	<b>Growing success</b>	<b>2025 and beyond</b>
<b>New image supported by clarity of role and improved performance</b>	<p>Clarity of services enables community and customer expectations to be measured, improved customer experience and <b>performance</b> management through stronger accountability.</p>	

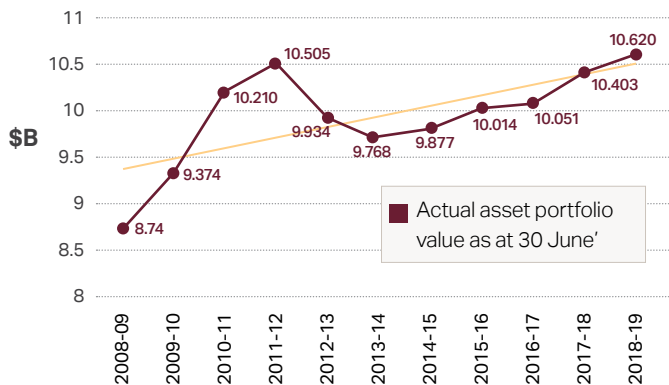


# Our performance

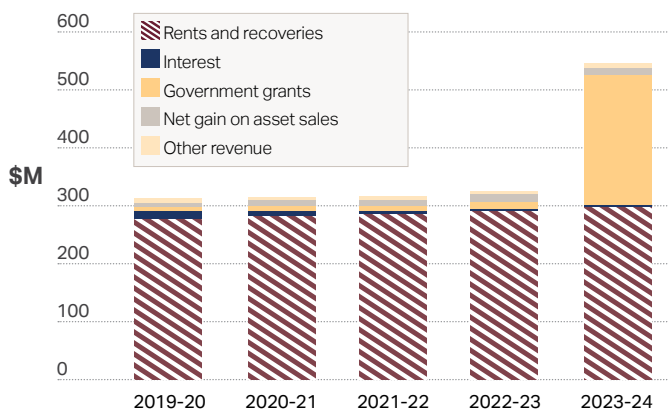
## Overview

SA Housing Authority continues to maintain a strong financial foundation through the ownership and management of more than 34,000 properties with a value of \$10.6 billion.

### Asset portfolio value



### Operating revenue

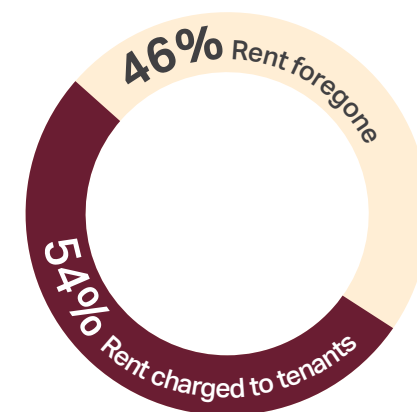


The main sources of the Authority's operating revenue are rents and Government Grants. Rent revenue is budgeted to increase marginally to 2025, mainly through indexation of rental charges (dependent on Commonwealth policy). Rent revenue is limited by the Authority's policy of charging rent at no more than 25% of eligible income for most tenants. This results in just under half of the market-assessed rent on the Authority's property portfolio being foregone through the provision of this subsidy (approximately \$200 million per annum).

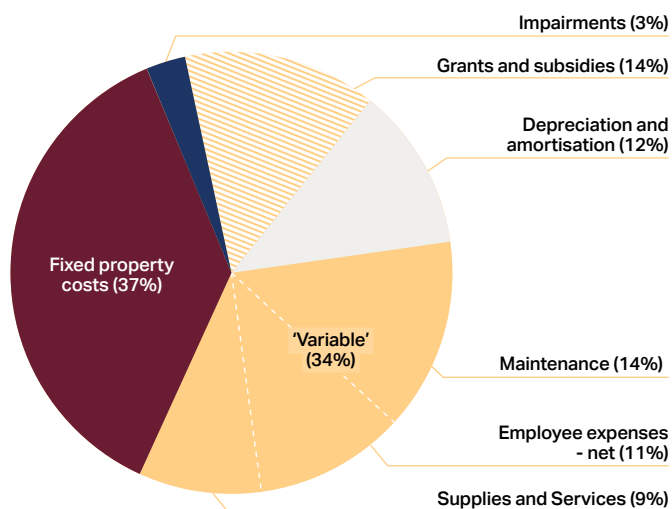
As a result of revised funding arrangements in 2018-19 the Authority received a one-off grant payment of \$602 million, being an up-front payment of grants previously budgeted to be received over

the four-year period 2019-20 to 2022-23. From 2023-24 these grants will resume, but are subject to government policy and decision-making.

### Rent revenue



### 2019-20 Cost structure



The total operating expenditure of the Authority in 2019-20 is \$745 million. Of this expenditure only 34% is considered variable.

Only a limited portion of the maintenance expenditure can be considered variable because a high proportion is responsive (restoration of faults or breakages to working condition), and a further component relating to health and safety requirements. The ageing asset base and increasing complexity of customer needs are placing upwards pressure on maintenance budgets.



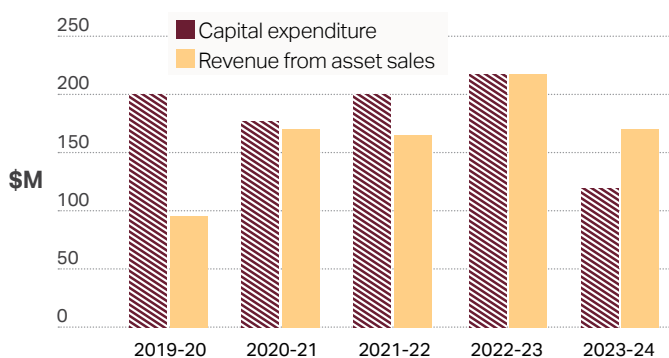
## Challenges

Despite funding certainty coming from the National Housing and Homelessness Agreement, which recognises the Commonwealth and the State's mutual interest in improving housing outcomes across the housing spectrum, the Authority has very few levers to generate revenue or reduce existing expenditure commitments.

To 2025, the Authority has a number of mandated operating efficiency targets. The achievement of savings through reductions in expenditure presents challenges for the management of the Authority's assets and the delivery of services to customers.

	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24
<b>Operating efficiencies \$m (cumulative)</b>	19.463	30.983	35.540	42.177	44.906	45.954
<b>Annual savings target \$m</b>	-	11.52	4.557	6.637	2.729	1.048
<b>FTEs (cumulative)</b>	72.5	106.0	140.0	187.0	191.0	191.0
<b>Annual FTE savings</b>	-	33.5	34.0	47.0	4.0	0.0

## Strategic asset management and renewal programs

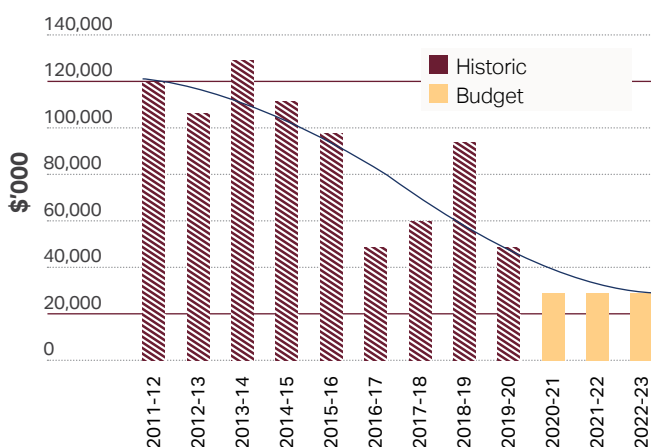


*Our Housing Future 2020-2030* includes a strong focus on the system to facilitate affordable housing outcomes but also the development of a strategic asset management plan that sets targets for social housing. This plan seeks to set targets to maintain an appropriate supply for future demand within constraints, market conditions, and investment opportunities that arise.

The Authority's current asset base is large, but a mismatch of stock to customer needs continues to result in vacancy and underutilisation of dwellings. Contributing factors include ageing properties, houses in low-demand locations, and assets with configurations that are not meeting current demand, and are not projected to meet the future demand of customer profiles. The Authority's future asset planning must better meet the needs of customers through strategic divestment and delivery of suitable built form.

Whilst property sales within a strategic asset renewal program will continue, the component of sales that fund recurrent operations will be reduced by 76% in the next three years from peak sales in 2013-14. Moving forward, a sophisticated strategic asset management approach that identifies and addresses these complexities will be developed.

## Financial viability sales



The Authority has significant capital commitments to 2025, and will need to invest in the resources and infrastructure to deliver 1,000 affordable housing outcomes. While total capital expenditure to 2025 is \$908 million, the total asset investment over this period is \$1.462 billion (inclusive of recurrent maintenance).

This program provides an exciting opportunity, and heralds a bright future where South Australia will once again reinvest in and reinvigorate the affordable housing market.



**SA Housing Authority's Strategic Plan 2020-2025 is heavily influenced by the State's housing, homelessness and support strategy, and is underpinned by the annual organisational business planning process:**

### 10 year plan

#### **Our Housing Future 2020-2030**

State-wide and system-wide plan covering the entire housing system.

Delivery is intended to be by SA Housing Authority, along with other government agencies, private industry and not for profits.

### 5 year plan

#### **SA Housing Authority Strategic Plan 2020-2025**

High level plan for SA Housing Authority.

### Annual plan

#### **SA Housing Authority Business Plan 2020-2021**

Contains details of what we will do to achieve relevant Strategies, Actions and Outcomes in *Our Housing Future 2020-2030* and the Objectives, Strategic Outcomes and Performance Measures in the Strategic Plan.



# SA Housing Authority Strategic Plan

2020-2025

## Vision

South Australia has a world leading affordable housing system that removes the barriers to people finding a home.

By doing this, all South Australians will have access to appropriate and affordable housing, being part of an inclusive and economically connected community.

As the custodian of, and provider within, the affordable housing system, our organisation is a leader in customer service, innovation and partnerships with the housing, finance and services sectors.

## Purpose

Better housing choices for South Australians.

## Public sector values

- Service
- Trust
- Collaboration and Engagement
- Courage and Tenacity
- Professionalism
- Respect
- Honesty and Integrity
- Sustainability



	Objectives	Strategic outcomes	Performance measures
 <p><b>1</b> LEAD</p>	<p>1. Model a <b>strong, fair and inclusive housing system</b> that delivers on community expectations.</p>	<p>1.1. <b>Transparently and accountably</b> meet housing needs and deliver value for money.</p> <p>1.2. A <b>culture of collaboration, inclusivity and diversity</b> is supported and rewarded.</p>	<p>Delivery of <b>10,000 affordable housing solutions</b>.</p>
 <p><b>2</b> EXCEL</p>	<p>2. Equip our people to provide <b>efficient and effective services</b> for our customers.</p>	<p>2.1. Creating a <b>learning and achievement culture</b>, supported by an agile workforce.</p> <p>2.2. <b>Modernise our systems and processes</b> to improve access and choice for customers.</p>	<p>Improve culture indicators by <b>20%</b>.</p>
 <p><b>3</b> RENEW</p>	<p>3. Invest in sustainable housing to <b>provide greater choice and better customer outcomes</b> that support State growth.</p>	<p>3.1. Portfolio planned <b>housing matched to customer needs</b>.</p> <p>3.2. Develop effective industry partnerships to <b>increase investment, innovation and housing outcomes</b>.</p>	<p>Investment of <b>\$452 million into new social and affordable housing supply</b>.</p>
 <p><b>4</b> MODERNISE</p>	<p>4. Make it easier for South Australians to get the <b>housing assistance they need</b>, when they need it, for the time they need it.</p>	<p>4.1. <b>Assist customers to achieve independence</b> and meet their housing aspirations.</p> <p>4.2. <b>Implement local solutions</b> that improve the outcomes for our customers and the communities they live in.</p>	<p>Increase the number of housing registrants receiving at least one housing related service by <b>10%</b>.</p>
 <p><b>5</b> TRANSFORM</p>	<p>5. Design and deliver <b>new homelessness service models with our partners</b> to assist people to remain in or achieve sustained housing.</p>	<p>5.1. Respond <b>quickly and appropriately</b> to emergency, short-term and ongoing housing needs.</p> <p>5.2. Improved <b>collaboration and strengthened responses</b> across all levels of government and the community sector.</p>	<p>Achieve <b>Functional Zero*</b> for rough sleepers.</p>

*\* Functional Zero happens when a community's average housing placement rate is more than the number of people sleeping rough (Adelaide Zero Project).*



# Vision

*South Australia has a world leading affordable housing system that removes the barriers to people finding a home.*

*By doing this, South Australians will have access to appropriate and affordable housing, being part of an inclusive and economically connected community.*

*As the custodian of, and provider within, the affordable housing system, our organisation is a leader in customer service, innovation and partnerships with the housing, finance and services sectors.*

Everyone wants to belong. To feel secure in a safe and stable home, and be part of a community. Without a secure home it can be very difficult to connect to others, and to have opportunities to achieve full potential in life.

Without stable housing, it can be difficult to succeed in education and employment. There can be extra challenges in maintaining healthy relationships with family and friends. It can be even more difficult to recover from trauma, domestic violence or substance abuse.

A safe and stable home can be the difference between a person reaching their full potential, or living a life dependent on welfare where each day is a struggle.

SA Housing Authority has a clear aim to deliver better housing opportunities for South Australians. Working in partnership with its customers and the housing sector to address the immediate challenges of today, while also planning ahead to anticipate the housing challenges we will face in the future.

## Purpose

### Better housing choices for South Australians

Better housing outcomes allows citizens to participate more fully in their community. This improves the State economy, liveability and competitive advantage. Driving affordable housing supply provides opportunities for the construction industry and employment outcomes.

## Public Sector Values

Service	We proudly serve the community and Government of South Australia
Professionalism	We strive for excellence
Trust	We have confidence in the ability of others
Respect	We value every individual
Collaboration and Engagement	We create solutions together
Honesty and Integrity	We act truthfully, consistently, and fairly
Courage and Tenacity	We never give up

The values reflect that as a public sector we are focussed on the ever-changing needs of South Australians and the place of Government in helping to grow the State's prosperity and wellbeing.

They were developed by more than 600 public sector employees of varying professions working together with the South Australian Government, Senior Management Council and organisational development specialists. They are a guide to behaviours and practices that apply to all employees, regardless of position, technical expertise, or location.

These values reflect the ongoing cultural evolution of the public sector and the world in which we work.



# Objectives

## LEAD

### Why are we doing this?

All levels of government, non-government partners, stakeholders and the private sector must collectively pursue a common understanding of an effective and efficient modern multi-provider system, coordinating policy and investment to deliver improved affordable housing outcomes.

The Authority will demonstrate good governance and strategic leadership, driving the State strategic agenda through effective governance and partnerships. By demonstrating operational performance supported by greater transparency and accountability, the Authority will deliver improved housing outcomes for South Australians.

Our cultural integrity must put all customers, including and in particular Aboriginal customers, at the centre through considered service delivery design.

### Objective

1. **Model a strong, fair and inclusive housing system** that delivers on customer and community expectations.

### Strategic outcomes

- 1.1. **Transparently and accountably** meet housing needs and deliver value for money.
- 1.2. A **culture of collaboration, inclusivity and diversity** is supported and rewarded.

### Performance measure

Delivery of 10,000 affordable housing solutions.

## EXCEL

### Why are we doing this?

SA Housing Authority must be fit for purpose. Aligning the organisation's structure and function enables an agile workforce to fulfill future role and skill requirements safely and with excellence.

The Authority fosters a culture of learning and achievement through the development of efficient and effective processes and systems supported by technology.

### Objective

2. Equip our people to provide **efficient and effective services** for our customers.

### Strategic outcomes

- 2.1. Creating a **learning and achievement culture**, supported by an agile workforce.
- 2.2. **Modernise our systems and processes** to improve access and choice for customers.

### Performance measure

Improve culture indicators by 20%.





## RENEW

### Why are we doing this?

The Authority's current asset profile is not meeting current and emerging customer needs. A long-term, strategic approach to holistic portfolio planning must develop initiatives that support place-making and create inclusive and sustainable communities.

By demonstrating innovation in planning, design, tenure, construction, technology, financing and investment models with partners across the housing ecosystem, the Authority can better lead and support the growth of the affordable housing sector, leverage investment from new providers and partnerships and improve the use of government and land and assets to meet customer need.

### Objective

3. Invest in sustainable housing to **provide greater choice and better customer outcomes** that support State growth.

### Strategic outcomes

3.1. Portfolio planned **housing matched to customer needs**.

3.2. Develop effective industry partnerships to **increase investment, innovation** and housing outcomes.

### Performance measure

Investment of \$452 million into new social and affordable housing supply.

## MODERNISE

### Why are we doing this?

A modern and viable social housing system needs to provide active pathways to progress people through the system, with operations that are aligned with customer expectations and needs.

To become customer focused, know our customers and facilitate their journey through the housing system, SA Housing Authority must understand who our customers are, their needs and wants, and incorporate this understanding into the design and delivery of services.

New and improved access and information for customers and tenants will be supported by technology and will address eligibility, tenancy and termination.

### Objective

4. Make it **easier for South Australians** to get the **housing assistance they need**, when they need it, for the time they need it.

### Strategic outcomes

4.1. **Assist customers to achieve independence** and meet their housing aspirations.

4.2. **Implement local solutions** that improve the outcomes for customers and the communities they live in.

### Performance measure

Increase the number of housing registrants receiving at least one housing related service by 10%.



## TRANSFORM

### Why are we doing this?

To reduce homelessness, services must be better connected to results and customers must be more genuinely and regularly engaged with. Enhanced governance and system settings must focus on, and enable, better outcomes and co-design and delivery with specialist service providers.

Holistic reform through improved collaboration across the system will enable sustained and evidence-based pathways out of homelessness, as well as prevention before homelessness occurs.

Clearer interfaces with other government agencies and partners and defining what we do and don't do, will help to support customers and maximise independent living through open and accountable partnerships.

### Objective

5. Design and deliver **new homelessness service models with our partners** to assist people to remain in or achieve sustained housing.

### Strategic outcomes

5.1. Respond **quickly and appropriately** to emergency, short-term and ongoing housing needs.

5.2. Improved **collaboration and strengthened responses** across all levels of government and the community sector.

### Performance measure

Achieve Functional Zero for rough sleepers.

### Risks to performance

Risk management forms a key element of sound governance, and the Authority uses risk management processes to identify and assess risks that may impact the achievement of strategic objectives.

The Authority operates in a challenging environment and, over the past 20 years, a number of significant trends have impacted on South Australia's housing system. General employment trends, linked to industry transformation, will continue to affect housing affordability. This, plus the ageing profile of South Australia's population, government policy decisions such as deinstitutionalisation and changes to sentencing and home detention, and lower rates of home ownership, will continue to underpin a growth in demand for housing assistance.

In addition, the Authority has a portfolio of ageing assets and increased maintenance liabilities in an environment where the community has increased expectations on government to respond to issues such as domestic and family violence, child protection and mental health.

While remediation and mitigation actions are incorporated into the *Strategic Plan 2020-2025*, and subsequent business plans, to reduce and manage the potential impact of risks, identified risks to the Authority's performance include, but are not limited to:

- financial viability
- failure of internal systems (information technology, asset management, people and culture) that support core business sufficiency of governance controls
- the health and vitality of the community housing sector and affordable housing industry
- trends in the Australian housing market
- policies of other levels of government.

The South Australian Housing Trust Board has developed risk appetite statements that clearly define the level of risk they are willing to accept for different categories, and as a result, management seek to manage these risks and achieve the strategic objectives within the boundaries of the risk appetite statements.

