South Australian Housing Authority
Triennial Review 2017-18 to 2020-21

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Executive Summary

Background

Established in 1936, the South Australian Housing Trust (SAHT) is a body corporate responsible for the provision of a range of housing options for South Australians. As the principal housing authority in South Australia, its functions centre around the requirement "*to assist people to secure and maintain affordable and appropriate housing*". In accordance with *Section 43* of the *South Australian Housing Trust Act* (the *SAHT Act)*, Aurecon, in partnership with Deloitte, have been engaged to conduct a Triennial Review on the operations and administration of the SAHT, from 2017-18 to 2020-21. The Triennial Review has been conducted in accordance with the Terms of Reference set out by the Minister for Human Services (Minister).

Operationally, there have been a number of changes in the delivery of housing and homelessness services in South Australia over the Triennial Review window. From February 2015 – June 2018, functions under the *SAHT Act* were delivered through two State Government agencies (Renewal SA and Housing SA) as detailed within two Service Level Administrative Agreements. Renewal SA was responsible for asset and supply strategy and Housing SA was responsible for service delivery, including maintenance. Following the change of government in early 2018, and associated machinery of government changes, SA Housing Authority commenced operations on 1 July 2018, combining the housing strategy, policy, service delivery and asset management functions previously undertaken by Renewal SA and Housing SA. SA Housing Authority has responsibility for all functions of the SAHT and the Minister for Human Services is solely responsible for the Act.

Noting its establishment in 2018, SA Housing Authority has developed a transformation timeline to guide its operations in consideration of the three key phases below.

- **2018-2020**: During its initial years, SA Housing Authority's approach centred on building a foundation to support a system focused on people. This included the development of *Our Housing Future 2020-2030*, a new state-wide housing and homelessness support strategy in late 2019, providing direction for the state's housing and homelessness agencies and industries.
- **2020-2025**: From 2020, SA Housing Authority's focus shifted to delivery, through the implementation of new service and supply models. This included the implementation of *Our Housing Future 2020-2030*, as evidenced through progress against committed actions. It is acknowledged that successful implementation of *Our Housing Future 2020-2030* requires the collaboration of SA Housing Authority and its partners (government organisations, non-government organisations and the private sector) to deliver against committed actions. This Triennial Review coincides within the first two years of this phase.
- **2025**: SA Housing Authority will look to grow its success from 2025 and beyond, merging with a new image as a world-leading housing provider and employer of choice.

In consideration of SA Housing Authority's *Strategic Plan* underpinning its operations and its maturity along its transformation timeline, this Triennial Review considers four main areas of analysis, in alignment with the Terms of Reference; **Strategy**, **Governance**, **Operational Performance** and **Financial Sustainability**.

Key Themes

A number of key themes evolved from the analysis undertaken as part of this Triennial Review, relating to the operations and administration of the SA Housing Authority from FY 2017-18 to FY 2020-21. It is important to note that these key themes have been formed based on the specific Terms of Reference set out by the Minister.

Noting these limitations, it is encouraged that the key themes below are read in conjunction with the consolidated key findings presented within each Chapter contained within this Report to provide further context.

Key Theme	Description
Housing affordability for South Australians has continued to decrease	▪ Housing affordability in South Australia appears to be decreasing, with a rapid rise in property prices observed over the Triennial Review window in both the home ownership and private rental markets. ▪ This is evidenced through a disproportionate percentage increase in property and rental prices in comparison to the percentage increase in earnings over the Triennial Review window, coinciding with the onset of the COVID-19 pandemic and challenging housing affordability for South Australians.
The SA Housing Authority's customer profile has continued to increase in vulnerability	▪ The profile of the average SA Housing Authority customer is becoming increasingly more complex and vulnerable. More specifically: - The profile of the social housing customer appears to be ageing and increasing in vulnerability. While the number of South Australians on the social housing waitlist has decreased over the Triennial Review window, the number of those presenting a greatest need has increased. - Single and single parent households have continued to represent the overwhelming majority of households residing in social housing, reflective of the shift in the traditional social housing customer family structure over time. - While there has been a significant decrease in the number of applicants assisted through the Private Rental Assistance Program, the profile of customers receiving private rental assistance is ageing. - The proportion of returning customers to specialist homelessness services is increasing, and those receiving assistance have required longer periods of support.
System-wide integration is required to better support placing the 'customer at the centre'	▪ Fragmentation appears to exist across the system as evidenced in instances where a customer has had to repeat their story and requirements to multiple government and non-government agencies. Referral pathways also appear to rely on individualised or localised level responses. ▪ As such, opportunities to improve system-wide integration present itself including: - The establishment of system level definitions and priority cohorts to guide consistency in the system. This universal understanding should extend beyond SA Housing Authority and be consistent cross-sector and cross-government department as a minimum.

Key Theme	Description
	- Improved data integration to enable more efficient information sharing cross-sector, cross-department and cross-jurisdiction with the intent to streamline a customer's housing or homelessness journey through matching the right capability to the required need in an agile manner. - Clarity in the delineation of service offerings and accountability between SA Housing Authority and other government departments to better enable harmonisation at multiple levels.
Performance is generally better or in line with national housing and homelessness indicators	▪ Across the period reviewed, SA Housing Authority has generally performed better or in line with the national indicators selected from the Productivity Commission's Report on Government Services (RoGS) framework. ▪ The exception to this is around State Owned and Managed Indigenous Housing (SOMIH) where performance on tenant satisfaction and the proportion of overcrowded households has deteriorated over the period of the Triennial Review. ▪ There is also an increase in the proportion of clients who had repeat periods of homelessness.
Performance measurement can be improved	▪ SA Housing Authority's internal Key Performance Indicators (KPIs) have changed several times during the review period. This impacts the measurement of SA Housing Authority's performance over time and increases the complexity of reporting. ▪ The future performance management framework should be outcome-focused, aligned with existing national frameworks and the strategic objectives of SA Housing Authority. This includes the establishment of a systemised approach in which to report against these KPIs to support efficient performance monitoring. ▪ SA Housing Authority should also seek to define the roles and monitor the success of the multi-provider system. ▪ The development of data governance principles and implementation of frameworks within the Authority to better enable monitoring of progress, performance and decision making aligned to the National Data Strategy also presents an opportunity.
Community Housing Providers (CHPs) are a critical part of a multi-provider system	▪ CHPs are a critical part of a multi-provider system and are seeking greater involvement in the sector, including in its strategic direction. ▪ Research has supported positive tenant and financial outcomes when tenancy and asset management services are undertaken by CHPs. ▪ While it is acknowledged that SA Housing Authority has reported a net operating loss associated with CHP transfers in the past, CHPs have financial advantages over public housing authorities due to their non-governmental and not-for-profit status. ▪ It is recommended that SA Housing Authority perform a detailed assessment of the expected costs and benefits associated with increasing the involvement of CHPs in the multi-provider system, as they have the potential to deliver improved outcomes for customers, and greater financial sustainability for the South Australian housing system overall.

Key Theme	Description
There is a mismatch between SA Housing Authority's asset base and its customer profile	▪ SA Housing Authority has an asset base which is virtually unencumbered by debt. It reached $10.8 billion at the end of FY 2020-21. ▪ SA Housing Authority has a current maintenance backlog of $310m, which is approximately 2.9% of the value of the asset base. ▪ RoGS data indicate that the South Australian social housing portfolio has an under-utilisation rate of 25.1% compared to the national average of 15.3% (as of 30 June 2020). This reflects the mismatch between tenant needs (single and single parent households) and housing stock (3 bedroom houses). ▪ It is worthwhile developing an investment pathway which could deliver properties that better meet tenant needs, as well as explore financing strategies for the portfolio. This pathway should also consider SA Housing Authority's governance arrangements. ▪ Robust modelling would need to be undertaken including whether this would best occur under SA Housing Authority's remit or following a transfer of properties to the CHP sector.
SA Housing Authority's current financial position is expected to continue	▪ SA Housing Authority is reliant on government funding given the gap between its income and its expenses. ▪ The increasingly vulnerable tenant profile is a key financial driver, as it constrains SA Housing Authority's rental income and requires higher operating expenses. ▪ SA Housing Authority has had negative operating and investing cash flows over the review period, as well as two years with a negative net cash flow. ▪ This reflects the SA Government's changed approach to funding, where it provided equity contributions, as well as recurrent funding to restructure and recapitalise SA Housing Authority. ▪ The SA Government provided equity contributions of $502m over the review period as well as recurrent funding of $1,049m. ▪ SA Housing Authority closed with a cash balance of $513m as of 30 June 2021. ▪ It is expected that SA Housing Authority's expenses will continue to exceed its income in the absence of changes to government funding and to SA Housing Authority's cost base. It is beyond the scope of this review to examine the amount of funding required for SA Housing Authority.

Glossary

Acronyms	
AAC	Aboriginal Advisory Committee
ABS	Australian Bureau of Statistics
AHURI	Australian Housing and Urban Research Institute
AIHW	Australian Institute of Health and Welfare
ALT	Alliance Leadership Team
AMP	Asset Management Plan
AMT	Alliance Management Team
ANU	Australian National University
APY	Anangu Pitjantjatjara Yankunytjatjara
ASSG	Alliance System Steering Group
BNL	By Name List
CALD	Culturally and Linguistically Diverse
CBD	Central Business District
CE	Chief Executive
CEARS	COVID-19 Emergency Accommodation for Rough Sleepers
CEO	Chief Executive Officer
CH	Community Housing
CHCSA	Community Housing Council of South Australia
CHP	Community Housing Provider
COAG	Council of Australian Governments
CRA	Commonwealth Rent Assistance
DAS	Delegations and Authorisations Schedule
DCHDE	Department of Communities, Housing and Digital Economy
DCJ	Department of Communities and Justice
DFFH	Department of Families Fairness and Housing
DH	Department of Health
DHHS	Department of Health and Human Services
DHS	Department of Human Services
EBN	Estimates Briefing Note
ED	Executive Director
ERFSG	Emergency Relief Functional Support Group
FY	Financial Year

HHDWG	Housing and Homelessness Data Working Group
HILDA	The Household, Income and Labour Dynamics in Australia Survey
ICH	Indigenous Community Housing
ICSC	Inner City Sub Committee
ICT	Information and Communication Technology
KPI	Key Performance Indicator
KRI	Key Result Indicator
LAHC	Land and Housing Corporation
MOAA	Memorandum of Administrative Arrangement
NAHA	National Affordable Housing Agreement
NHFIC	National Housing Finance and Investment Corporation
NHHA	National Housing and Homelessness Agreement
NPARH	National Partnership on Remote Housing
NRAS	National Rental Affordability Scheme
NRC	National Regulatory Code for Community Housing
NRSCH	National Regulatory System for Community Housing
OHSI	Office of Homelessness Sector Integration
PBN	Parliamentary Briefing Note
PH	Public Housing
PIA	Priority Investment Approach
PIRSA	Primary Industries and Regions South Australia
PRA	Private Rental Assistance
PRAP	Private Rental Assistance Program
PwC	PricewaterhouseCoopers
RAP	Reconciliation Action Plan
RoGS	Report on Government Services (Productivity Commission)
SA	South Australia
SAFA	SA Government Financing Authority
SAHT	South Australian Housing Trust
SHMIC	Social Housing Modernisation Implementation Committee
SHS	Specialist Homelessness Services
SOMIH	State Owned and Managed Indigenous Housing
TACSI	The Australian Centre for Social Innovation
UNSW	University of New South Wales

Definitions

Term (for the purpose of this Triennial Review)	
Cultural integrity	Shared decision making and culturally informed services, to maintain Aboriginal peoples' personal and cultural wellbeing (SA Housing Authority, 2021). *(*It is highlighted that the scope of analysis in the progress achieved around 'cultural integrity' within this report is distinctly focussed on the Authority's commitments within Our Housing Strategy, not the broad and holistic definition highlighted above).*
Customer at the centre	Put the housing customer at the centre of decision-making, service provision and planning (Government of South Australia, 2019).
Housing affordability stress	Lower-income households that spend more than 30% of gross income on housing costs (AIHW, 2021).
Lower income household	Households containing the 38% of people with equivalised disposable household income between the third and 40th percentiles (AIHW, 2021).
Lived experience	People who have experienced housing challenges (e.g. people who have experienced homelessness, who have been a customer or are a customer of programs and services provided by SA Housing Authority/housing and homelessness system) (TACSI, 2019)
Review period	FY 2017-18 to FY 2020-21

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Introduction

1.1   Scope

The South Australian Housing Trust Act 1995 (*the SAHT Act*) requires the responsible Minister to commission a report on the operations and administration of the South Australian Housing Trust (SAHT) every three years, also known as the "Triennial Review". *Section 43* of *the SAHT Act* stipulates that:

- The Minister must once in every three years cause a report to be prepared on the operations and administration of SAHT.
- The report must be prepared by a person who is independent of SAHT.
- The Minister must, within 12 sitting days after receiving a report under this section, have copies of the report laid before both House of Parliament.

Aurecon in partnership with Deloitte were engaged to conduct the independent Triennial Review in consideration of four financial years of data, from 2017-18 to 2020-21.

1.2   Terms of Reference

Each Triennial Review addresses unique Terms of Reference relevant to the specific review period.

A number of significant changes have taken place since the previous Triennial Review, notably including SA Housing Authority commencing operations on 1 July 2018. This combined housing strategy, policy, services delivery and asset management functions previously undertaken by two separate government agencies: Renewal SA and the Department for Human Services.

The establishment and implementation of a new 10-year Housing and Homelessness Strategy, *Our Housing Future 2020-2030* was also acknowledged within the review period. The progress achieved against the implementation of this strategy is understood to underpin the Terms of Reference for this review. As outlined within Figure 1-1, this is categorised via Terms of Reference within **Strategy**, **Governance**, **Operational Performance** and **Financial Sustainability**.

It is acknowledged that while the Terms of Reference seek to understand how SA Housing Authority have progressed against actions set within its strategy, progress in consideration of SA Housing Authority's maturity and position in its overarching transformation timeline will be made.

Section 3.2.2.2 describes the transformation timeline supporting the implementation of *Our Housing Future 2020-2030* in further detail and must read in parallel to all observations within this Report.

STRATEGY

S1. How has SA Housing Authority performed against the State Housing and Homelessness Strategy: *Our Housing Future*?

a. What has been the progress against the strategic intent, in particular 'customer at the centre' including incorporating lived experience?

b. What progress has been made in greater cultural integrity for Aboriginal people?

S2. What contribution does SA Housing Authority provide in supporting affordable home ownership?

GOVERNANCE

G1. To what extent does SA Housing Authority and the broader social housing system reflect the characteristics of a Modern Multi Provider System? How are the roles of SA Housing Authority and community housing providers meeting changing customer needs?

G2. How can governance arrangements be enhanced to support a multi-provider and agency response to deliver on the strategy, including connections to the new Homelessness Alliances?

OPERATIONAL PERFORMANCE

O1. How has SA Housing Authority and its partners performed against national and state housing and homelessness indicators?

O2. How can KPIs be better aligned across housing and homelessness services to ensure customers are connected to the services they need when they need it to be successful in their tenancy and community?

O3. What additional datasets and key performance indicators cold be considered to inform performance?

O4. In the context of emergency relief responses, including COVID-19, how has SA Housing Authority responded to customer needs?

O5. What level of specialisation of service model and supports are required to enable successful tenancies within a public housing context?

FINANCIAL SUSTAINABILITY

F1. What are the strategic levers available to support an aspiration of long-term financial sustainability and asset strategy objectives?

F2. What is the financial impact of future service demand due to projected changes in the client and tenant cohort?

Figure 1-1: Ministerial Terms of Reference

1.3   Methodology

The overarching methodology comprised of five core components outlined within Figure 1-2 below.

DESKTOP REVIEW	DESKTOP ANALYSIS	STAKEHOLDER CONSULTATION	ADDITIONAL INFORMATION REQUESTS	DEVELOPMENT OF FINAL REPORT
Literature review of existing documentation to develop a base understanding in response to the defined Terms of Reference.	Analysis of publicly available data and data provided by the Authority to respond to the Terms of Reference.	Validation of key themes identified through the desktop review and preliminary desktop analysis with a range of stakeholders including, the Authority Project Team, Reference Group, Internal Authority Stakeholders and External Stakeholders.	Issue of Request for Information's (RFI's) to the Authority to test and/or further validate findings.	Development of a comprehensive and evidence-based final report based on outcomes of desktop review, desktop analysis, stakeholder consultation and additional information requests.

Figure 1-2: Triennial Review Methodology

With a base understanding developed through the desktop review and analysis of publicly available and Authority supplied data, preliminary findings were formed and concurrently validated through **stakeholder consultations.** Appendix G provides a summary of key Authority personnel and representative organisations consulted with.

As the components under each area of the Terms of Reference evolved, consistent feedback and evidence was sought through **requests for information** and regular touchpoints with SA Housing Authority Project Team. Outcomes of the desktop review and analysis, stakeholder consultation and additional information requests underpin the final findings for each Term of Reference, as presented within the **Final Report**.

It is also acknowledged that a Reference Group was established to support the independent review and provide informed feedback across the full duration with further detail available in Appendix F.

The visual cues of the key sections whilst navigating the report via. tabs (right) are as follows:

1 Introduction	2 Overview of the SA Housing Trust	3 Strategy	4 Governance	5 Operational Performance	6 Financial Sustainability	7 Appendices

Figure 1-3: Visual Cue of Sections within the Review

1.4   Report Design

To assist readers in digesting the information within this review, the report has been designed to cascade findings from the highest level to its detailed evidence/commentary through three key components outlined within Table 1-1 below.

Table 1-1: Design of Report

Component	Description
Sections	▪ The key sections of the Report are as follows: **Executive Summary** Provides a consolidated summary of the key themes which evolved from the analysis of the specific Terms of Reference. **Introduction** Describes the scope, ministerial terms of reference and methodology for the review. **Overview of the SAHT** Clarifies the role of the SA Housing Trust activities and commitments along with the progress achieved against the key themes of the previous Triennial Review (2018). **Terms of Reference Area** Responds to the **Strategy**, **Governance**, **Operational Performance** and **Financial Sustainability** Ministerial Terms of Reference in detail. **Appendices** Captures any supporting documentation informing the analysis within the Report referenced, as referenced within commentary. ▪ Coloured tabs have been embedded on the edge of each page for quick reference and visual cue to each section of the report, per Figure 1-3.

Summary	▪ All **summarised findings** of analysis weaved across key sections of the report are highlighted in **blue.**
	
	▪ This is predominantly applied across two cascading components:
	   o **Executive Summary**: Provides a consolidated summary of the key themes which evolved from the analysis of the specific Terms of Reference.
	   o **Key Points**: Summarises the key findings of the detailed analysis in response to each Term of Reference.

Detailed Analysis	▪ Core **content and supporting evidence** of the review in response to each Term of Reference, relevant to all sections of the report is outlined in **green.** It is acknowledged that this forms the vast majority of the report.

2

Overview of the South Australian Housing Trust

2.1 Role of the South Australian Housing Trust

Established in 1936, the South Australian Housing Trust (SAHT) is a body corporate responsible for the provision of a range of housing options for South Australians (Government of South Australia, 2015). Initially, the purpose of the SAHT was to supply affordable, new houses for the growing low-income market post-WWII, however functions of the Trust have now evolved to provide a broader range of services and support for customers across the housing continuum.

2.2 South Australian Housing Authority Activities and Commitments

The SAHT is enabled through the South Australian Trust Act 1995 (SAHT Act), that stipulates its continuation as a body corporate including its functions and powers.

As the principal housing authority in South Australia, functions defined within the Act are centred around the requirement 'to assist people to secure and maintain affordable and appropriate housing' (Government of South Australia, 2015).

Additional roles and powers of the SAHT are stipulated within the Housing Improvement Act 2016, and Community Housing Providers (National Law) (South Australia) Act 2014 (SAHT, 2021).

Further detail of SA Housing Authority's functions and responsibilities along with its legislative remit and agreements from a Federal and State level are described in the Sections below.

2.2.1 Current SA Housing Authority Operations and Services

SA Housing Authority provides a broad range of homelessness and housing services supporting South Australians and can largely be categorised into twelve (12) overarching services (refer Figure 2-1).

Services span across the full extent of the housing continuum, excluding the private home ownership sector, with different programs providing targeted assistance in each sector. It is noted that while SA Housing Authority provided management activities to facilitate the National Partnership on Remote Housing (NPRH), this did not span the full duration of the Triennial Review as the NPRH came into effect on 1 July 2016 and concluded on 30 June 2018. In 2018-19, the Commonwealth also provided one-off funding contributions for remote Indigenous housing, of which South Australia received $37.5m, with matched funding from states to assist the transition of responsibility for funding remote housing to the states.

The housing continuum depicts the various types of housing and housing support required for a customer relative to their income and represents a customer's journey to housing independency from least independent to most independent. Macro-economic factors, including but not limited to legislation, environment, economic policy and urban policy can influence the number of customers requiring support or services within a particular sector. While this Triennial Review considers SA Housing Authority's services with respect to the "housing continuum", it is acknowledged that a shift in terminology is being encouraged nationally towards use of language such as "policy assistance areas". This presents SA Housing Authority with an opportunity to align terminology of its services with the national direction.

Figure 2-2 presents a summary of the programs currently provided by SA Housing Authority (not exhaustive) with respect to the housing continuum and its categorisation in SA Housing Authority's overarching service summary. These programs can typically be summarised into four overarching sectors, including homelessness, social housing, affordable housing and market housing. These areas, including SA Housing Authority's role are further explored in the following chapters.

1. Public Housing

SAHT Act 1995, 5 (1) (a)…
i. Acting as landlord of public housing in the State
ii. Managing various forms of public housing in the State

2. Aboriginal Housing

Management of tenancies and housing assets specifically for Aboriginal customers (who may choose to access assistance via general public housing)

3. Private Rental Assistance

SAHT Act 1995, 5 (1) (a)…
iii. Providing private rental assistance

4. Housing Advice

SAHT Act 1995, 5 (1) (a)…
iv. Providing advice and referral on housing options and household related issues

5. Affordable Housing

SAHT Act 1995, 5 (1) (a)…
v. Supporting initiatives (within the various sectors) to increase the supply of affordable housing *(e.g. Managing delivery of the 15% Affordable Housing Policy)*

6. Special Housing Program Supply

SAHT Act 1995, 5 (1) (b)…
To provide houses to meet housing needs, or to support or promote programs or other initiatives within the private or not-for-profit sectors to meet housing needs

7. Homelessness Support Services

SAHT Act 1995, 5 (1) (c)…
To facilitate support for South Australians to increase their ability to achieve successful housing outcomes

8. Government Coordination

SAHT Act 1995, 5 (1) (d)… To provide advice to the Minister on:
i. Issues, initiatives or programs associated with the housing needs of the community, and
ii. Any other issues as the Minister or SAHT thinks fit

9. Housing in Aboriginal Communities

Housing in Aboriginal Communities, including the management of the Commonwealth Government's National Partnership on Remote Housing (NPRH) from 2016-2018

10. Community Housing

Development, support and promotion of the community housing sector, including administering and assisting in the regulation of Community Housing Providers in South Australia

11. Housing Improvement

Ensuring residential properties meet minimum standards under the Housing Improvement Act 2016

12. Emergency Relief Support

Lead agency responsible for the Emergency Relief Functional Support Group (ERFSG), delivering relief and recovery services after an emergency/disaster

Figure 2-1: SA Housing Authority's Service Summary

Homelessness	Crisis Accommodation	Transitional Housing	Public Housing	Community Housing	Affordable Rental	Private Rental	Affordable Home Ownership	Private Home Ownership
Homelessness	Social Housing				Affordable Housing	Market Housing	Affordable Housing	Market Housing

Homelessness Alliances 7	Emergency Accommodation 12	Integrating Housing Exits Program 6	Public Housing 1	Community Housing 10	Private Rental Assistance 3		Homeseeker SA Program 5
Aged Homelessness Assistance Program 7	Crisis Housing Program 6	Integrated Housing Exits Youth Justice Program 6	State Owned and Managed Indigenous Housing 2 9	Indigenous Community Housing 9 10	Pathways Housing Accommodation 5	Private Rental Liaison 4	15% Affordable Housing Policy 5
Homelessness Supportive Housing Program 7		Boarding House Program 6	Mental Health Supported Social Housing Program 6				
		Transitional Accommodation 6		Community Lease Program 10			
		Transitional Housing Program (by CHPs) 6		Disability Housing Program 10			
		Short Term Housing 6		Specialised Leasing Program 10			

Housing Advice 4 Government Coordination 8 Housing Improvement Services Provided Within Other Programs 11
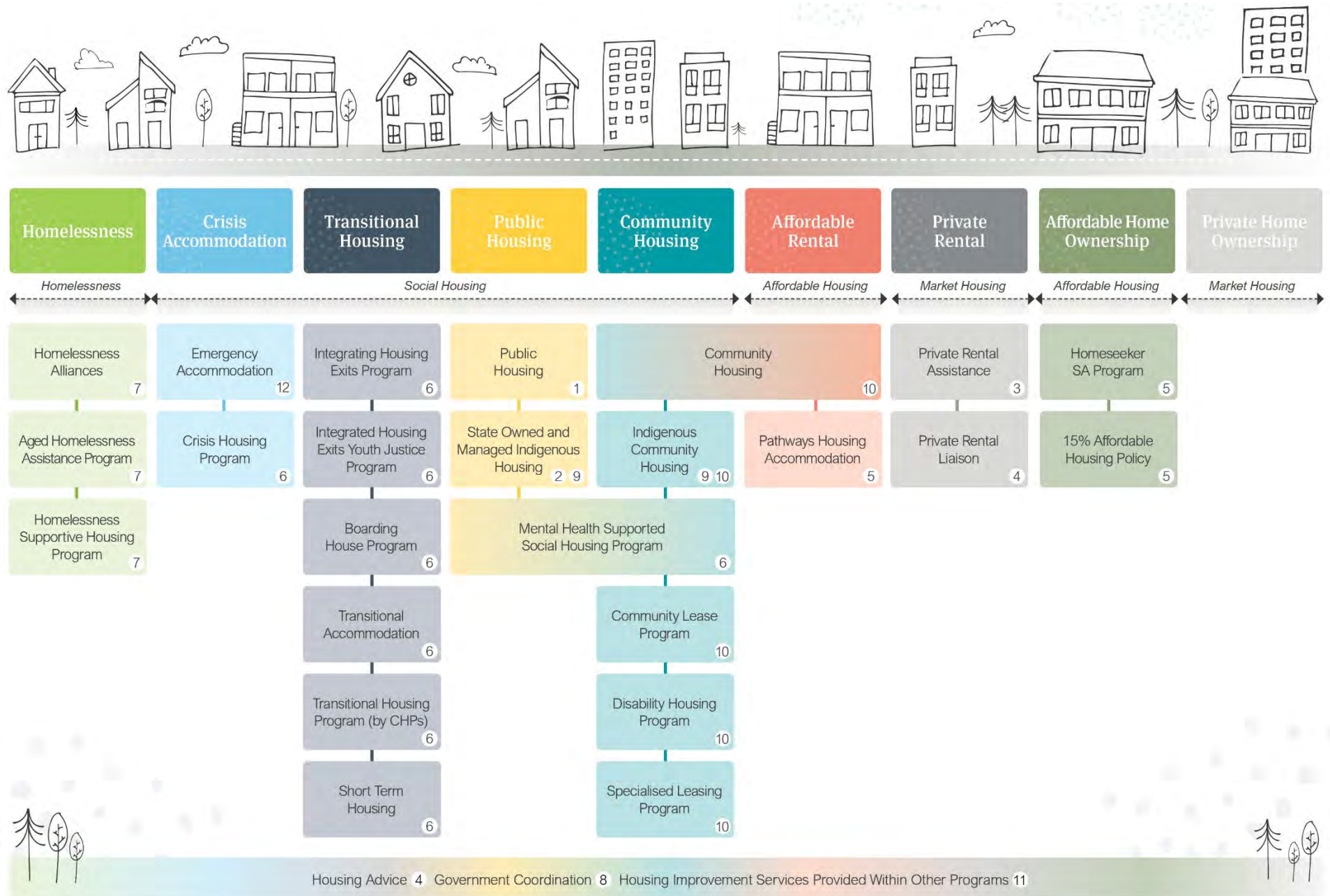
Figure 2-2: SA Housing Authority's Programs in Consideration of the Housing Continuum and Overarching Sectors

2.2.1.1   Homelessness Sector

Homelessness services encompass a large portion of the services that SA Housing Authority provides. The Australian Productivity Commission defines specialist homelessness service providers as:

> *"providers [that] deliver a range of services to clients — including supported accommodation, counselling, advocacy, links to housing, health, education and employment services, outreach support, brokerage and meals services, and financial and employment assistance."*
>
> *Source: (Australian Government Productivity Commission, 2021).*

and the objectives of these services as:

> *"to promote wellbeing and independence for people who are homeless or at risk of homelessness, by providing assistance that supports them to achieve and maintain housing and social and economic participation."*
>
> *Source: (Australian Government Productivity Commission, 2021).*

In FY 2020-21, SA Housing Authority provided services to approximately 20,500 South Australians that were homeless or at risk of becoming homeless (Homeless2Home, 2020-21). In parallel, SA Housing Authority underwent major reform of its state-wide approach to homelessness service delivery. The Future Directions for Homelessness paper released in September 2020 outlined the ambitions of this transformational reform:

> *"to create a Housing First approach to enable vulnerable people to live in their own home by:*
>   - *reducing the risk of homelessness through preventative measures*
>   - *reducing the length of homelessness*
>   - *supporting people to access and maintain safe and secure accommodation that enables improved health, wellbeing, education, training and employment outcomes."*
>
> *Source: (SA Housing Authority, 2020)*

and additionally, for those experiencing family and domestic violence:

> *"a Safety First response is required, which places the immediate safety needs and stability of women and their children at the centre of decision-making."*
>
> *Source: (SA Housing Authority, 2020)*

The reform saw the consolidation of a significant number of individual contracts with different service providers to five collaborative contracts (SA Housing Authority, 2020). Through a collaborative contracting model consisting of four regional based alliances and one state-wide Domestic and Family Violence alliance (named *South Australia's Homelessness Alliance*), it intends to cross pollinate resources, capability and services of multiple providers and jointly improve client and system outcomes. Improved client and system outcomes are anticipated to be realised by shifting the focus of homelessness service delivery from reactive measures to early intervention and prevention measures, with the aim of preventing people falling into and cycling through the homelessness system.

While alliance awareness, award and pre-transition activities occurred within FY 2020-21, mobilisation of the homelessness alliances commenced on 1 July 2021, falling outside of the scope of this Triennial Review. Therefore, effectiveness of the implementation of the homelessness alliances will not be considered in this Triennial Review.

2.2.1.2   Social Housing Sector

Social housing as a service is outlined by the Australian Productivity Commission to be:

> *"subsidised rental housing provided by not-for-profit, non-government or government organisations to assist people who are unable to access suitable accommodation in the private rental market."*
>
> *Source: (Australian Government Productivity Commission, 2021).*

Further, the objectives for social housing are described as:

> *"to provide low-income people who do not have alternative suitable housing options with access to social housing assistance that supports their social and economic participation and their wellbeing."*
>
> *Source: (Australian Government Productivity Commission, 2021).*

Social housing is typically delivered through four primary programs:

- **Public Housing (PH)**: dwellings owned (or leased) and managed by State and Territory housing authorities. It is generally accessed by people on low-incomes and/or those with special needs.

- **State Owned and Managed Indigenous Housing (SOMIH)**: dwellings owned and managed by State and Territory housing authorities that are allocated only to Aboriginal and Torres Strait Islander tenants, including dwellings managed by government Indigenous housing agencies.

- **Community Housing (CH)**: rental housing provided to low-to-moderate income and/or special needs households, managed by community-based organisations that lease properties from government or have received a capital or recurrent subsidy from government.

- **Indigenous Community Housing (ICH)**: dwellings owned or leased and managed by ICH organisations and community councils. It is acknowledged that SA Housing Authority is notionally considered the community housing provider in this situation as it manages the tenancies and maintenance but does not officially "head-lease" the ICH dwellings in which to meet the requirements of Public Housing and SOMIH as per the Australian Productivity Commission.

It is acknowledged that **Crisis** and **Transitional Housing** are also considered to be forms of social housing, albeit they are considered short-term accommodation housing, generally smaller in magnitude than the long-term forms outlined above. Refer to Section 5.4 which considers SA Housing Authority's role with respect to Emergency Management which falls under crisis housing.

2.2.1.3   Affordable Housing Sector

Programs facilitated by SA Housing Authority in the affordable housing sector are primarily tailored towards ownership assistance. These programs are focused on assisting customers to either secure or maintain a tenure within the private market. Customers generally have an independent source of income and as such, programs within this sector largely provide financial assistance through mechanisms such as bonds and subsidies.

Examples of affordable home ownership initiatives being implemented by SA Housing Authority include:

- **15% Affordable Housing Policy**: SA Housing Authority is the lead facilitator of affordable housing in South Australia, including facilitating 15% affordable housing within all new significant developments located within designated affordable housing zones in Local Government Development Plans and the State Planning and Design Code.

- **HomeSeeker SA Program**: SA Housing Authority manages the delivery of the HomeSeeker SA Program on behalf of the Government of South Australia. The HomeSeeker SA Program allows eligible home buyers to purchase a home at a fixed price before it becomes available on the open market, so as to prevent competition against other buyers or investors.

- **Shared Equity**: Through its partners such as HomeStart Finance, the State Government provides affordable home loans for South Australians.

While affordable rental programs also offer eligible customers residential accommodation for rent below market rental prices, it is understood that that SA Housing Authority currently has no active programs within the affordable rental sector. Although no longer active, the Pathways Housing Accommodation program is an example of an affordable rental program delivered by SA Housing Authority (despite the policy still being current).

It is also important to note the difference between the community sector with respect to affordable housing and Community Housing Providers with respect to social housing. The community sector encompasses private not-for-profit organisations contributing to the delivery of affordable housing supply.

2.2.1.4   Market Housing Sector

SA Housing Authority's remit extends to private rental (i.e. market rental) through provision of private rental assistance and private rental liaison.

- **Private Rental Assistance**: Provision of financial assistance through subsidisation via bond guarantees, rent in advance or rent in arrears.

- **Private Rental Liaison**: Provision of support to help customers navigate application processes and access private rental.

SA Housing Authority does not offer any programs pertaining to market home ownership.

2.2.2   SA Housing Authority Legislative Remit and Agreements

Noting the programs that SA Housing Authority provides South Australians across the housing continuum, the sections below consider SA Housing Authority's legislative remit and agreements from a federal and a state level.

2.2.2.1   Federal Overview

While state and territory governments are primarily responsible for the delivery of housing and homelessness services in Australia, federal government contributions to improving housing and homelessness outcomes at the time of this Triennial Review include:

- Provision of Commonwealth Rent Assistance (CRA) to help eligible Australians pay their rent.

- Provision of funding through the National Housing and Homelessness Agreement (NHHA) to states and territories.

- Implementation of the National Rental Affordability Scheme (NRAS).

Commonwealth Rent Assistance is a non-taxable income supplement from the Federal Government payable to eligible people who rent in the community housing or private rental sector. Public housing tenants are not eligible to receive Commonwealth Rent Assistance.

The NHHA commenced on 1 July 2018 as the principal agreement between the Commonwealth of Australia and the States and Territories. The objective of the NHHA agreement is:

'to contribute to improving access to affordable, safe and sustainable housing across the housing spectrum, including to prevent and address homelessness, and to support social and economic participation.'

Source: (Australian Government, 2018)

SA Housing Authority is required to perform several activities on behalf of the State under this agreement to ensure funding is received from the Commonwealth. This funding enables the State's contribution towards 'the objective'. In accordance with the NHHA, these activities include but are not limited to:

Having a publicly available housing and homelessness strategy.

Reporting on the Agreement to the Commonwealth Minister.

Contributing to the ongoing collection and transparent reporting of agreed data.

Source: (Australian Government, 2018)

It is acknowledged that the NHHA replaced the National Affordable Housing Agreement (NAHA) and supporting agreements including the National Partnership Agreement on Homelessness (NPAH) and the National Partnership Agreement on Remote Housing (NPRH).

The National Rental Affordability Scheme is a Commonwealth lever established in 2008 and aims to increase the supply of new and affordable rental dwellings by providing an annual financial incentive for up to ten years. This incentive is issued to housing providers ("approved participants") to provide affordable rental dwellings at least 20 per cent below market rates (Australian Government, 2021).

2.2.2.2   State Overview

At a state level, SA Housing Authority is responsible for the administration of the following legislation:

- South Australian Housing Trust Act 1995 (SAHT Act).

- South Australian Housing Trust Regulations 2010.

- Housing Improvement Act 2016.

- Housing Improvement (Fees) Regulations 2020.

- Housing Improvement Regulations 2017.

- Community Housing Providers (National Law) (South Australia) Regulations 2014.

The SAHT Act stipulates the primary functions of the SAHT as described further in Section 4.1.5.1. In addition to these primary functions, adjoining functions are stated in the Community Housing Providers (National Law) (South Australia) Regulations also described in Section 4.1.5.1.

2.3 Outcomes of the Previous Triennial Review (2018)

Conducted by PricewaterhouseCoopers (PwC) for the FY 2013-14 to FY 2016-17, the previous Triennial Review, the 2018 South Australian Housing Trust Triennial Review, focused on reviewing the existing operations and financial performance of the SAHT to inform future directions and guide strategy for SA Housing Authority.

This was timely noting operational changes in the SAHT's governance and structure over the review period. More specifically in February 2015, responsibility for the SAHT Act transferred to the Minister for Housing and Urban Development, with functions under the Act being carried out through two (2) State Government agencies:

- **Renewal SA**: Responsible for asset and supply strategy.

- **Housing SA**: Responsible service delivery, including maintenance.

The structural change also reflected a Memorandum of Administrative Arrangement (MOAA) existing between the SAHT and the Department for Communities and Social Inclusion relating to Corporate Overhead Funding.

Previously, Housing SA had responsibility for all functions of the SAHT and the Minister for Social Housing was solely responsible for the Act. The responsible Minister at the time the review was commissioned was the Minister for Housing and Urban Development. However, it is acknowledged that there were changes to the Ministerial portfolio during the time of this review.

Noting the above, outcomes of the 2018 South Australian Housing Trust Triennial Review generally noted eight (8) overarching themes, as listed below (PwC, 2018):

- The profile of the social housing tenant is changing.

- Housing affordability for low-income South Australians is decreasing.

- The functions and responsibilities of the SAHT are changing.

- Funding level and mix impact the SAHT's ability to undertake operations and renewal objectives.

- Asset condition and suitability will require capital expenditure to meet tenant needs.

- A long-term, system level strategy will be required.

- Clear performance/accountability frameworks have not been set.

- Transparency of information is critical to ensure monitoring of performance.

2.3.1 Key Developments since the Previous Triennial Review

Since the previous Triennial Review, there have been significant developments concerning SA Housing Authority, as outlined below.

- **(July 2018) Establishment of the SA Housing Authority**: The previous Triennial Review noted the opportunity for enhancement in clarity, consistency and culture at an operational level, largely resulting from the separation of responsibilities between Housing SA and Renewal SA. In response to the Triennial Review amongst internal reviews and machinery of government changes, the South Australian Housing Authority was established on 1 July 2018, amalgamating services previously provided through Housing SA and Renewal SA. Section 3.1 describes this detail further.

- **(December 2019) Our Housing Future 2020-2030**: The release of *Our Housing Future 2020-2030* in December 2019 was the first long-term strategy released by the South Australian Government post the establishment of SA Housing Authority. Development of this strategy responds to the key theme "a long-term, system level strategy will be required" as identified in the previous Triennial Review and was informed by numerous stakeholder engagements per Section 3.5.3. Development of this strategy also satisfies the State Government's obligations through the *National Housing and Homelessness Agreement* which requires a public housing and homelessness strategy. Section 3.2.2 explores this strategy, including its implementation in detail.

- **(May 2020) 20-Year State Infrastructure Strategy**: The 20-Year State Infrastructure Strategy identifies the key needs and challenges providing priorities to guide government policy and investment in infrastructure to support economic growth. A number of priorities were acknowledged with regards to housing, including:

  – Priority 10: Reposition the social housing portfolio to be more fit for purpose.
  – Priority 11: Increase private sector investment in the supply of affordable housing.
  – Priority 14: Explore alternative models to increase supply of crisis, transitional and post-release housing.

- **(March 2021) Single Housing Register**: Effective 1 March 2021, SA Housing Authority established a new, single housing register for South Australians consolidating the two previous public and community housing registers, embedding the principle of 'no wrong door'. Previously, a customer was able to apply for both public and community housing through the public housing application. However, if a customer applied for community housing first, subsequent application for public housing required the completion of a second form. Not only was this time consuming for the customer, use of two systems was noted to be administratively burdensome for organisations as staff were required to enter applications into two different systems. Implementation of the single housing register aims to increase efficiency and fairness to all registrants, improve the ability to filter for registrants to best suit vacant properties and improve document management/reporting.

- **(March 2021) Planning and Design Code**: In alignment with *Action 1.2* of *Our Housing Future 2020-2030*, a new Planning and Design Code was introduced in March 2021 by the Department of Infrastructure and Transport in partnership with the State Planning Commission. Implementation of the Planning and Design Code aims to create an appropriate land supply pipeline and diversity of housing supply through a responsive planning and zoning system. Table 3-5 describes progress against this action in more detail.

- **(May 2021) Aboriginal Housing Strategy**: Released in May 2021, the *South Australian Aboriginal Housing Strategy 2021-2031* is the first state-wide strategy focused on Aboriginal housing. While implementation of this strategy falls outside of the review period, delivery of the strategy itself is noted to be a key action (Action 3.8) within *Our Housing Future 2020-2030*. Refer to Section 3.6 for further details regarding the development of the *Aboriginal Housing Strategy*.

- **(July 2021) SA Homelessness Alliances**: Data published by the Australian Institute of Health and Welfare (AIHW) has identified that from 2014 to 2019, there has been an increase in the percentage of returning clients to specialist homelessness services, and those receiving assistance have required longer periods of support. To service the complex and evolving needs of customers experiencing or at risk of homelessness, SA Housing Authority established five alliances which commenced operations on 1 July 2021 to deliver an integrated service response. Establishment of the SA Homelessness Alliances is detailed in Section 2.2.1.1 and was supported by:

  – The establishment of the Office of Homelessness Sector Integration (OHSI) in 2019.

  – The launch of the *Future Directions for Homelessness* paper in September 2020.

- **(2018 – 2021) Transformation of Business Systems**: Noting the change in government in March 2018 and establishment of SA Housing Authority in July 2018, SA Housing Authority is acknowledged to have undertaken significant Information and Communication Technology (ICT) upgrades to accommodate a standalone agency. This was advised to include:

  – The transfer of network and desktop services from the Department of Human Services (DHS) to a new standalone ICT infrastructure and architecture.

  – Replacement of enterprise wide SAHT mainframe systems to Connect in December 2020. In addition to enabling tenancy and asset management, an external facing module Housing Connect was also introduced to provide customers with a secure way to access housing services online. Ongoing updates to Housing Connect were also undertaken during 2021.

  – Launch of HomeSeeker SA website in March 2021 which is aimed at supporting low-and-moderate income South Australians to enter the housing market through access to information including listings of affordable housing sales.

  – General review and implementation of policies, procedures and frameworks to reflect structural and other associated changes following the machinery of government changes.

3

Strategy

Key Points

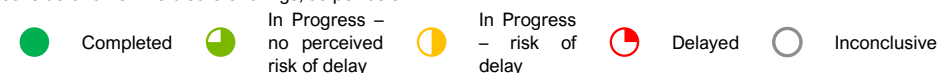| Terms of Reference	
S1	How has SA Housing Authority performed against the State Housing and Homelessness Strategy: *Our Housing Future 2020-2030*?
S1a	What has been the progress against the strategic intent, in particular 'customer at the centre' including incorporating lived experience?
S1b	What progress had been made in greater cultural integrity for Aboriginal people?
S2	What contribution does SA Housing Authority provide in supporting affordable home ownership?

S1. HOW HAS SA HOUSING AUTHORITY PERFORMED AGAINST THE STATE HOUSING AND HOMELESSNESS STRATEGY: OUR HOUSING FUTURE 2020-2030?

IMPLEMENTING A HOUSING AND HOMELESSNESS STRATEGY

- 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.

- In accordance with its transformation timeline, from 2018-2020, SA Housing Authority's operations focused on establishing new business models and building a foundation to support a system centred on people. This included development and implementation of its ten-year strategy, *Our Housing Future 2020-2030* which was released in December 2019. From 2020-2025, SA Housing Authority focused on delivering an approach through the implementation of new service and supply models within its partners, including delivering upon relevant actions within *Our Housing Future 2020-2030*. From 2025, SA Housing Authority intends to grow its success, realising its vision as a world-leading housing provider and employer of choice.

- *Our Housing Future 2020-2030* articulates five key strategies with 33 actions focused on building a resilient, connected and sustainable housing system. Successful implementation of *Our Housing Future 2020-2030* requires SA Housing Authority and its partners (government organisations, non-government organisations and the private sector) to come together and deliver against committed actions.

- In supporting the delivery of *Our Housing Future 2020-2030*, SA Housing Authority has operationalised the actions it is leading via the SA Housing Authority *2020-2025 Strategic Plan (Strategic Plan)*, with annual priorities progressed as part of annual business planning. While priority initiatives within the *Business Plan 2020-21* do not always demonstrate clear alignment with the Strategy, it is acknowledged that these demonstrate alignment to performance measures outlined within the *Strategic Plan*.

- Performance measures and priority initiatives within the *Business Plan 2020-21* provide an indication of interim targets cognisant of the staged delivery of the ten-year strategy. Consequently, the establishment of the *Strategic Plan* and *Business Plan 2020-21* has seen SA Housing Authority identifying a clear strategic intent along with a transformation timeline that complements a new business model.

- The following sections provide a summary of the assessment of SA Housing Authority's progress against actions within *Our Housing Future 2020-2030* in consideration of its first two years of implementation. Noting the linkages between the *Business Plan 2020-21, Strategic Plan* and *Our Housing Future 2020-2030*, supporting progress against relevant performance measures, priority initiatives and associated deliverables within the *Business Plan 2020-21* has also been discussed where relevant, to enable a more informed time assessment in consideration of the SA Housing Authority's position on its transformation timeline.

-

PROGRESS OF OUR HOUSING FUTURE 2020-2030

A traffic light assessment was adopted to inform SA Housing Authority's progress against its strategic intent in consideration of five discrete ratings, as per below.

🟢 Completed   🟡 In Progress – no perceived risk of delay   🌗 In Progress – risk of delay   🔴 Delayed   ⚪ Inconclusive

The key outcomes of this assessment revealed:

- *Our Housing Future 2020-2030* **Progress**: Reporting of *Our Housing Future 2020-2030* progress uses a range of reporting mechanisms, data sources and a mix of qualitative/quantitative measures. Broad timeframes are identified within the strategy (i.e. short, medium or long-term) and as such, no definitive assessment could be established against detailed initiatives. However, a traffic light assessment against the five key strategies within *Our Housing Future 2020-2030* indicates that SA Housing Authority are '**In Progress**' with '**no perceived risk of delay**' to the long-term outcomes. While commentary within progress reports have evidenced this assessment, SA Housing Authority would benefit from greater clarity in the definition of timeframes.

  To strengthen this assessment, consideration into progress against a number of parallel performance measures, key initiatives and deliverables as identified in the *Business Plan 2020-21* was made to enable a more informed time assessment, cognisant of the SA Housing Authority's position on its transformation timeline. Review of SA Housing Authority's progress against these annual commitments varied between '**Complete**' to '**Delayed**'. Whilst evidence of progress was made generally, it is acknowledged that a number of specific targets were not achieved and in certain cases were deemed '**Inconclusive**' as a result of insufficient data.

- **Enhancing the Reporting Framework**: As SA Housing Authority matures in accordance with its transformation timeline, a review and alignment of SA Housing Authority's performance reporting framework and Key Performance Indicators (KPIs) would be beneficial in strengthening progress reporting and monitoring activities. This includes opportunities in improving linkages across relevant guiding documents such as between actions articulated within *Our Housing Future 2020-2030* and relevant performance measures, priority initiatives and associated deliverables highlighted within the *Strategic Plan* and *Business Plan 2020-21*. It is also noted that multiple sources of information were required to evidence progress.

S1a. WHAT HAS BEEN THE PROGRESS AGAINST THE STRATEGIC INTENT IN PARTICULAR 'CUSTOMER AT THE CENTRE' INCLUDING LIVED EXPERIENCE?

PLACING THE 'CUSTOMER AT THE CENTRE'

The definition of 'customer at the centre' was understood to have evolved over the Triennial Review window. As articulated within *Our Housing Future 2020-2030* and for the purpose of this assessment, 'customer at the centre' has been defined as:

> *"Put the housing customer at the centre of decision-making, service provision and planning."*
>
> Source: (Government of South Australia, 2019)

Our Housing Future 2020-2030 also states its aim is to:

> *"Support well-functioning communities, with a focus on improving the customer journey and housing pathways...encouraging stronger partnerships, collaboration, innovation and co-investment to build the capacity and capability of providers. It also redefines relationships with customers to better meet individual housing and support needs."*
>
> Source: (Government of South Australia, 2019)

STRATEGY

Noting the above definitions, a similar traffic light assessment (as presented in Term of Reference S1) was utilised to assess SA Housing Authority's progress in placing the 'customer at the centre' as it relates to its strategic intent. Outcomes of this assessment revealed that:

- *Our Housing Future 2020-2030* **'Customer at the Centre' Progress**: While *Our Housing Future 2020-2030* does not detail any specific actions in relation to placing the 'customer at the centre', majority of actions either makes reference or inference to placing the 'customer at the centre'. Consequently, the assessment of progress as per Term of Reference S1 applies. That is, actions within *Our Housing Future 2020-2030* as it relates to placing the 'customer at the centre' appear to be '**In Progress – no perceived risk of delay**' to long-term outcomes.

Furthermore, in assessing SA Housing Authority's progress against placing the 'customer at the centre', the following was acknowledged through stakeholder consultations:

- **Need for Universal Definitions of 'Customer at the Centre':** While SA Housing Authority demonstrated an understanding of placing the 'customer at the centre', there is a need for a consistent definition to be established system-wide to better enable the delivery and measurement of this objective. This includes establishing clarity on priority cohorts.

- **Enhancing Integration of SA Housing Authority and its Partners**: Fragmentation appears to exist across the system with instances of a customer having to repeat their story and requirements, to multiple government and non-government agencies. Referral pathways also appear to rely on individualised or localised level responses. As such, opportunities to improve customer experience and service unique needs across the housing continuum was noted. This includes consideration into a whole-of-system approach to data to enhance integration and the sharing of information between government departments and providers to improve the efficiency of services.

- **Homelessness Alliances Reform**: Positive connotations regarding the homelessness reform were expressed commending the system-wide and preventative approach that intends to place the 'customer at the centre'. While assessment of the effectiveness of associated mechanisms have not been made, noting its establishment outside of this Triennial Review window, consideration into use of similar mechanisms could also help address fragmentation in the system. This could encourage enhanced sharing of information for other referral pathways outside and connected to the Homelessness Alliances, consequently improving customer experience.

- **Delineation of service offerings**: Opportunities for improvement in the delineation of service offerings and accountability between SA Housing Authority and other government departments were identified, particularly for mixed tenures. Clarity in roles system-wide should be further explored by SA Housing Authority to better enable the harmonisation of government departments and providers at multiple levels.

INCORPORATING LIVED EXPERIENCE

In 2019, SA Housing Authority commissioned Lived Experience Workshops to better understand customer needs, experiences and considerations for service delivery as well as business model design and improvements. It is understood that these outcomes informed the development of *Our Housing Future 2020-2030*.

Consequently, for the purpose of this assessment, lived experience was defined in alignment with that articulated as part of the Lived Experience Workshops:

> *"People who have experienced housing challenges (e.g. people who have experienced homelessness, who have been a customer or are a customer of programs and services provided by SA Housing Authority/housing and homelessness system)."*
>
> Source: (TACSI, 2019)

Noting the above definition, a similar traffic light assessment (as presented in Term of Reference S1) was utilised to assess SA Housing Authority's progress in incorporating lived experience as it relates to its strategic intent. Outcomes of this assessment revealed that:

- **Our Housing Future 2020-2030 'Lived Experience' Progress**: As it relates to *Our Housing Future 2020-2030*, incorporation of lived experience is directly aligned to Action 3.5, "*improving service delivery by incorporating lived experience*". This action appears to be '**In Progress – no perceived risk of delay**', as evidenced through the commencement of initiatives such as the:
  - New Housing Advice Advocacy Service in October 2020, also known as Rent Right SA.
  - Use of feedback provided from participants of the Lived Experience Workshops in the development of the Future Directions for Homelessness paper.

Noting the broad nature of language within Action 3.5, key initiatives pertaining to lived experience within the *Business Plan 2020-21* was considered. This included consideration into progress against deliverables which aim to embed workforce cultural lived experience, equality and respect practices across the organisation. While majority of these actions were understood to be '**Delayed**' in FY 2020-21, it is acknowledged that this may not necessarily pertain to a delayed completion. SA Housing Authority provided commentary to support its intent to accelerate programs to achieve their long-term target, noting that deliverables are anticipated to resume in FY 2021-22.

Furthermore, in assessing SA Housing Authority's progress against incorporating lived experience, the following was acknowledged through stakeholder consultations:

- **Need for Universal Definitions of 'Lived Experience**: While stakeholders demonstrated an understanding of incorporating lived experience, no formal definition of Lived Experience was realised across SA Housing Authority and its service providers. Accordingly, it is acknowledged that SA Housing Authority would benefit from a consistent definition of lived experience to be established system-wide to better enable the delivery and measurement of this objective.

- **Embedding Lived Experience**: At an individual level, stakeholders expressed interest in the importance and value of incorporating lived experience in decision-making processes however, it is recommended that a formal approach to operationalise this concept is implemented across SA Housing Authority and its partners. In particular, Stakeholders from the SA Housing Authority resonated with the definition of lived experience, as highlighted by the Australian National University:
  - **Tier 1**: People with lived experience have shared decision-making.
  - **Tier 2**: People with lived experience co-design services and programs.
  - **Tier 3**: People with lived experience leading advisory groups/representatives in a working group.
  - **Tier 4**: People with lived experience co-design polices and strategies.

Whilst stakeholders demonstrated great passion and an appetite for incorporating lived experience, whereby "*people with lived experience have shared decision-making*", stakeholders mutually agreed that SA Housing Authority are currently operating at a Tier 4 level whereby lived experience is embedded through engagement with "*people with lived experience to co-design policies and strategies*". This is demonstrated through the Lived Experience Workshops commissioned by SA Housing Authority in 2019 and its relationship in the development of SA Housing Authority's overarching strategic documents including *Our Housing Future 2020-2030*.

- **Enhancing the Reporting Framework**: As SA Housing Authority matures in accordance with its transformation timeline, a review and alignment of SA Housing Authority's performance reporting framework and Key Performance Indicators would be beneficial in evidencing lived experience,

strengthening progress reporting, demonstrating direct alignment with key actions within *Our Housing Future 2020-2030* and monitoring activities. It is understood that SA Housing Authority currently has limited reporting metrics presently surrounding this and as such, assessment of SA Housing Authority's progress has been based on subjective commentary.

GREATER CULTURAL INTEGRITY

Through stakeholder consultations, it was understood that the term "cultural integrity" holds different connotations to varying stakeholders within SA Housing Authority and the broader system. For the purpose of this assessment and as based on the *SA Housing Authority Aboriginal Housing Strategy 2021-2031*, cultural integrity has been defined as:

"Shared decision making and culturally informed services, to maintain Aboriginal peoples' personal and cultural wellbeing."

Source: (SA Housing Authority, 2021)

Critical to cultural integrity for Aboriginal and Torres Strait Islander peoples is self-determination. The Australian Human Rights Commission describes self-determination as:

"Self-determination is an 'ongoing process of choice' to ensure that Indigenous communities are able to meet their social, cultural and economic needs. It is not about creating a separate Indigenous 'state'.

The right to self-determination is based on the simple acknowledgement that Indigenous peoples are Australia's first people.

The loss of this right to live according to a set of common values and beliefs, and to have that right respected by others, is at the heart of the current disadvantage experienced by Indigenous Australians.

Without self-determination it is not possible for Indigenous Australians to fully overcome the legacy of colonisation and dispossession."

Source: (Australian Human Rights Commission, 2021)

Noting the above definitions, a similar traffic light assessment (as presented in Term of Reference S1) was utilised to assess SA Housing Authority's progress in achieving greater cultural integrity. Outcomes of this assessment revealed that:

- **Our *Housing Future 2020-2030* Progress:** Action 3.8, "*addressing the particular disadvantages faced by Aboriginal South Australians through the delivery of an Aboriginal Housing Strategy*", is considered the primary action within *Our Housing Future 2020-2030* in analysing cultural integrity within this term of reference. Progress against this action is '**Complete**', demonstrated by the release of the *South Australian Aboriginal Housing Strategy 2021-2031* in May 2021. It is noted that extensive engagement with Aboriginal and Torres Strait Islander people were undertaken by SA Housing Authority to inform the development of this strategy.
- **Annual Business Plan Progress**: Noting the implementation of the Aboriginal Housing Strategy outside of this Triennial Review window, assessment of SA Housing Authority's progress against actions pertaining to cultural integrity within available business plans over the review window was made. It is acknowledged that SA Housing Authority successfully '**Completed**' all actions outlined within *Business Plan 2017-18* and *Business Plan 2018-19*. Actions within the most current *Business Plan 2020-21* were recognised to be largely '**In Progress – no perceived risk of delay**', with few actions described as 'At risk of delay' or 'Delayed'.
- **Other Commitments**: Over the Triennial Review window, it is understood that SA Housing Authority also demonstrated other commitments to achieving greater cultural integrity through:

- The SA Housing Trust appointment of an Aboriginal Advisory Committee (AAC) to provide specialist advice on improving housing outcomes for Aboriginal people across the state, in May 2019.

- Extensive engagement with Aboriginal and Torres Strait Islander people across South Australia to understand their housing experience and how to better meet the needs of Aboriginal people and communities. Voices of Aboriginal people were used to inform the development of the Strategy.

- Establishment of a governance unit within SA Housing Authority to support the *Aboriginal Housing Strategy*.

Furthermore, in assessing SA Housing Authority's progress against achieving greater cultural integrity, the following was acknowledged through stakeholder consultations:

- **Universally defining "Cultural Integrity":** There is a need for a universal definition of '"cultural integrity" to be established system-wide, to ensure that a consistent and integrated approach can be applied to the housing and homelessness system holistically.

- **"A step in the right direction":** While the development of the *Aboriginal Housing Strategy* amongst other initiatives within the review window was acknowledged to be "*a step in the right direction*" for SA Housing Authority, this connotation was sharply grounded with the importance of ensuring that the implementation of the strategy is diligently supported and enabled to come to life.

- **Strengthening of Operational Linkages** Opportunities to strengthen operational linkages between SA Housing Authority and Aboriginal communities were identified and are recommended to be further explored.

- **Role of the Aboriginal Advisory Committee (AAC)**: It was acknowledged that the role of the AAC has evolved noting the release of the *Aboriginal Housing Strategy* with clarity regarding the requirements of committee members moving forward now essential. Consequently, it was noted during consultations that committee members found their AAC role beneficial in advocating for unique Aboriginal customers although it is affirmed that this is not the primary intention of the role.

Tailoring services to unique needs: Several opportunities for SA Housing Authority to better tailor services to the unique needs of the Aboriginal community were shared across stakeholder consultations (e.g. provision of tailored affordable home ownership) and should be further explored.

CONTRIBUTION TO AFFORDABLE HOME OWNERSHIP

Housing affordability in South Australia is decreasing, with a rapid rise in property prices observed over the Triennial Review window in both the home ownership and private rental markets. More specifically:

- From 30 June 2017 to 30 June 2021, the median sale price of houses in metropolitan Adelaide increased from $452,000 to $540,000, reflecting an increase of approximately 19%. In a similar manner, the median sale price of houses in non-metropolitan Adelaide has also increased from $264,500 to $280,000 over the same period, reflecting an increase of approximately 6% (Government of South Australia, 2022).

- The median weekly residential rental price also demonstrated increases of the order of 15%. From 30 June 2017 to 30 June 2021, the median weekly residential rental price in metropolitan Adelaide increased from $320 to $370 per week, reflecting an increase of 16%. The median weekly residential rental across the rest of the state increased from $250 to $285 per week, reflecting a 14% increase (Data SA, 2022).

Affordable housing solutions are acknowledged to prevent and/or help people move out of housing affordability stress. As defined by the Government of South Australia:

"Affordable housing is designed and priced to cost people no more than 30% of their gross income if they are on a low or moderate income."

<div align="right">Source: (Government of South Australia, 2021)</div>

As stated by the Australian Institute of Health and Welfare (AIHW), housing affordability stress is defined as:

"Lower income households that spend more than 30% of gross income on housing costs."

<div align="right">Source: (AIHW, 2021)</div>

It is acknowledged that housing affordability stress can be considered with respect to:

- Rental affordability stress: Households paying more than 30% of their income on rental payments.

- Mortgage affordability stress: Households paying more than 30% of income for mortgage repayments.

In South Australia, a dwelling is considered to be an affordable home if it is:

- Offered for sale to eligible buyers.

- Offered for home ownership and is for sale at or below the appropriate price point.

- Priced at $367,000 or less (if key criteria are met as per the government gazette, the price can be up to $422,050) (Government of South Australia, 2021).

Noting the above, it is acknowledged that SA Housing Authority's focus is primarily centred on providing affordable housing solutions for households experiencing rental affordability stress only, noting that there are protections in place for owners that are not available to renters, notwithstanding potential affordability pressures.

Assessment of SA Housing Authority's contribution to affordable home ownership found that:

- **Households in Low-income Rental Affordability Stress**: Analysis undertaken by AHURI estimates that 45,000 South Australian households were in low-income rental affordability stress in 2016. Of these households, it was estimated that "*19,000 low-income households were paying more than 50% of their household income on private rental costs*". This represents the magnitude of South Australian households experiencing "extreme" rental affordability stress.

- **Strategic Commitment**: SA Housing Authority's commitments to affordable housing have been guided by the estimated number of South Australian households experiencing "extreme" rental affordability stress. More specifically, SA Housing Authority and its partners have committed to providing 20,000 affordable housing solutions by 2030 within Strategy 2 of *Our Housing Future 2020-2030*, through delivery of the following eight (8) key actions:
  - **Action 2.1**: Delivering 1,000 new affordable houses by 2025 for low and moderate-income households through a $398.7m Affordable Housing Initiative.
  - **Action 2.2**: Delivering new social, affordable and open market homes through a $54m neighbourhood renewal program over five years.
  - **Action 2.3**: Reviewing and developing underutilised government, private and not-for-profit land to drive innovation and supply of new affordable housing outcomes.
  - **Action 2.4**: Building up to 1000 new social, affordable and market houses through the Community Housing Asset and Investment Plans.

- **Action 2.5**: Delivering 5000 Affordable Housing outcomes through inclusionary, design and incentive provisions in the planning system, including the 15% Affordable Housing Policy.

- **Action 2.6**: Encouraging new partnerships and investment through pilots and further development of innovative financing, planning and supply solutions including Build to Rent, innovative design, and shared equity products.

- **Action 2.7**: Continuing to support home ownership through 10,000 HomeStart Finance loans targeted to low and moderate income households and extending the HomeStart Starter Loan beyond June 2021 by an additional 100 new outcomes per year for five years.

- **Action 2.8:** Provide 100 supported private rental opportunities over five years for eligible social housing customers.

- *Our Housing Future 2020-2030* **Progress**: Noting that this Triennial Review considers progress within 2 years of a 10-year strategy, SA Housing Authority's annual Business Plan set an interim target of delivering 2,000 affordable housing solutions in FY 2020-21. While it was acknowledged that approximately 1,954 of the 2,000 affordable housing solutions were delivered, the following commentary from the SA Housing Authority was acknowledged:
  - SA Housing Authority submitted details of its $452m investment into new social and affordable housing supply to Public Works in November 2020, per Actions 2.1 and 2.2 of *Our Housing Future 2020-2030*. Following satisfaction by the Public Works Committee, SA Housing Authority engaged contractors to deliver the works, with deeds finalised in 2021.
  - Timing of the Public Works and procurement process is understood to have impacted the delivery program however it is understood that budgets are being reforecast by the Department for Treasury and Finance. In addition, labour and material shortages as a result of the high demand in the construction industry following the COVID-19 pandemic has been noted as a risk to impact delivery of the program in the short-term. While not reviewed by the independent reviewer, it is acknowledged that a revised timeline has been developed following completion of the Public Works Committee and procurement process. It is understood that the program developed for the Affordable Housing Initiative (accounting for $398.7m of the investment) has also been health checked by Infrastructure SA and detailed risk management plans are in place.
  - While it is understood that approximately 1,954 of the targeted 2,000 affordable housing solutions were delivered in FY 2020-21, a number of discrepancies in data was observed as it relates to the exact number of affordable housing solutions delivered. As such, progress against the business plan*'s* action has been assessed as '**Inconclusive**'. Despite this rating in consideration of SA Housing Authority's short-term target, assessment of progress against *Strategy 2* of *Our Housing Future 2020-2030* has revealed that actions are generally '**In Progress – no perceived risk of delay**', in consideration of the long-term outcome noting the recalibration of delivery programs use of detailed risk management plans.

- **Limitations in Contribution**: Noting the above commitments, there are a number of limitations in SA Housing Authority and its partners' contribution in supporting affordable home ownership including:

  - The commitment addresses the number of households experiencing "extreme" rental affordability stress as opposed to the full magnitude of households experiencing rental affordability stress generally.

It is recognised that affordable housing commitments have been based on a point in time assessment, hence there is a need to continually monitor housing affordability in South Australia and establish mechanisms in which to review and update targets based on market conditions, supply and demand.

STRATEGY

3.1 Strategic Context

3.1.1 SA Housing Authority's Journey So Far

Operationally, there have been a number of changes in the delivery of housing and homelessness services in South Australia over the Triennial Review window. From February 2015 – June 2018, functions under the *SAHT Act* were delivered through two State Government agencies (Renewal SA and Housing SA) as detailed within two Service Level Administrative Agreements (SLAAs). Renewal SA were responsible for asset and supply strategy and Housing SA were responsible for service delivery, including maintenance.

Following the change of government in early 2018, several changes in the structure and objectives of the delivery of housing and homelessness services in South Australia were noted.

SA Housing Authority was formed on 1 July 2018, undertaking the administration of the SAHT services previously assumed by Renewal SA and Housing SA, 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.

- Establishing an environment that promotes shared responsibility and ownership of the housing challenges South Australia faces.

During its initial years, SA Housing Authority's operations focused on establishing new business models, through building a foundation to support a system focused on people. This included development and implementation of *Our Housing Future 2020-2030*, a new state-wide housing and homelessness support strategy in late 2019, providing direction for the state's housing and homelessness agencies and industries.

The following Sections investigate SA Housing Authority's strategy over the Triennial Review window in more detail.

3.1.2 The Review Period

A number of strategic documents were noted to guide the operations of the SAHT over the Triennial Review window.

In 2017-18 to 2018-19, the strategy for the delivery of housing and homelessness services was primarily driven through annual business plans in 2017-18 and 2018-19.

A new state-wide housing and homelessness support strategy *Our Housing Future 2020-2030* was released in late 2019, providing direction for the state's housing and homelessness agencies and industries from 2020 onwards. Following this release, SA Housing Authority developed its own five-year

strategic plan for 2020-2025 and *annual business plan for 2020-21* to drive its initiatives and actions in a staged manner.

Figure 3-1 provides a visual representation of the timeline of relevant strategic documentation within the review window, with further detail provided in the following sections.
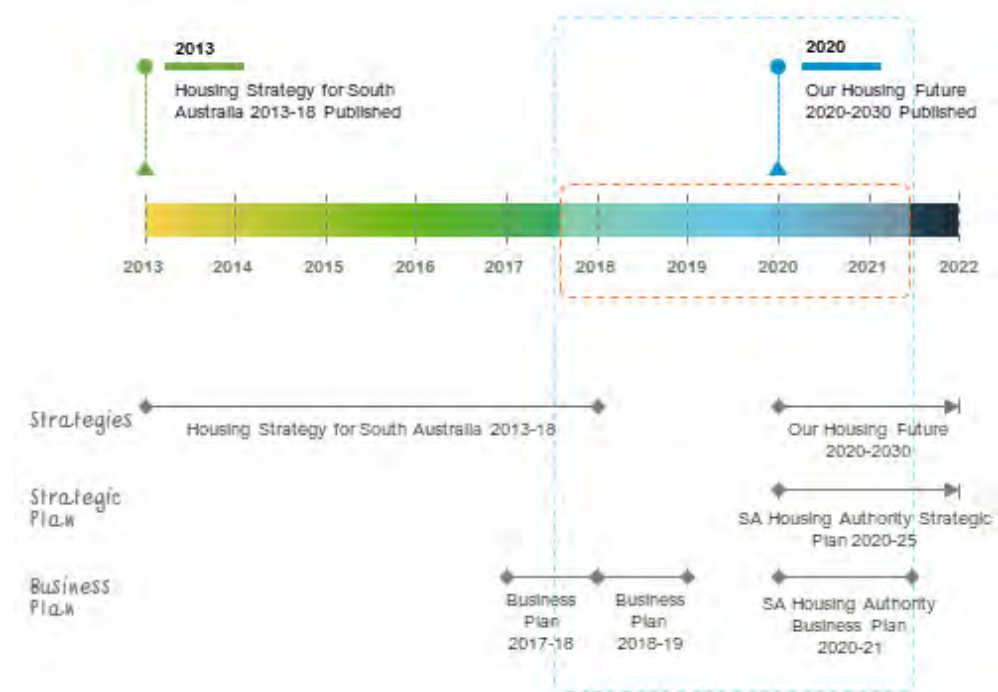
Figure 3-1: Timeline of Guiding Documents within the Triennial Review Window

3.2 Strategic Alignment

Figure 3-2 presents a visual representation of the cascading nature of SA Housing Authority's strategic documents as they filter from forward looking, long-term strategies to short term synthesised targets and deliverables.

Effectively, SA Housing Authority has operationalised committed actions of its overarching strategy into a five-year strategic plan. Annual priorities are progressed as part of annual business planning. This has seen SA Housing Authority identifying a clear strategic intent along with a transformation timeline (refer Section 3.2.2.2) as it works toward a new business model.

Figure 3-2: Relevant Strategic Documents within the Triennial Review Window

3.2.1 SA Housing Authority's Strategy from 2017-18 to 2019-20

Noting the change of government in March 2018 and conclusion of the former government's *Housing Strategy for South Australia 2013-18* in 2018, the delivery of housing and homelessness services were guided by *annual business plans* across the first two years of the review window.

The *2017-18 Business Plan* details numerous initiatives within three focus areas:

- People: At the centre of everything we do.
- Place: Harnessing community potential.
- Professionalism: Drives our service delivery outcomes.

The *2018-19 Business Plan* provided a largely streamlined strategic focus, notably identifying six (6) key deliverables for the year:

- Establishing the South Australian Housing Authority.
- Developing a system-wide *Housing and Homelessness Strategy*.
- Building inter-governmental relations to better understand how housing contributes to whole-of-government outcomes.
- Modernising service delivery and building a sustainable business model.
- Embedding Aboriginal governance and operations.
- Optimising and leveraging assets through a robust Asset Strategy to support the supply of affordable housing.

A *2019-20 Business Plan* was not developed by SA Housing Authority.

The *Strategy* Terms of Reference seeks to understand SA Housing Authority's progress with regards to the state's current Housing and Homelessness Strategy, *Our Housing Future 2020-2030*. Consequently, while it is acknowledged that the *Housing Strategy for South Australia 2013-18* represented the guiding strategic document prior to 2018, it has not been investigated as part of this Triennial Review.

3.2.2 The SA Housing Authority's Strategy in 2020-21

The current strategic intent of SA Housing Authority is outlined through four key documents, including:

- *Our Housing Future 2020-2030*.
- *Aboriginal Housing Strategy 2021-2031*.
- *SA Housing Authority Strategic Plan 2020-25*.
- *Business Plan 2020-21*.

The following sections explore the purpose, vision and timeframe of this strategic documentation.

3.2.2.1 Our Housing Future 2020-2030

Our Housing Future 2020-2030 is the State Government's overarching long-term, system-wide housing and homelessness support strategy. *Our Housing Future 2020-2030* articulates its aims to:

> "support well-functioning communities, with a focus on improving the customer journey and housing pathways".
>
> "break down the barriers that see people stuck in homelessness, falling through the cracks, or in housing that is not appropriate to their needs".
>
> "encouraging stronger partnerships, collaboration, innovation and co-investment to build the capacity and capability of providers".
>
> "re-defines relationships with customers to better meet individual housing and support needs."
>
> *Source: (Government of South Australia, 2019)*

The guiding vision that underpins the state's strategy is that:

> "All South Australians have access to appropriate and affordable housing that contributes to social inclusion and economic participation"
>
> *Source: (Government of South Australia, 2019)*

To deliver against this vision, the Strategy presents four key outcomes and five key strategies which aim to redefine and reform the housing system in South Australia as resilient, connected and sustainable, as per Table 3-1 and Table 3-2 below.

Table 3-1: 'Our Common Vision' - Our Housing Future 2020-2030 Key Outcomes

Outcome	Description
Customer at the Centre	Meeting the housing needs of customers and community to support life opportunity.
Effective and Efficient Industry	A high-performing sector and industry that delivers good customer outcomes.

Outcome	Description
Matching the Right Supply to Demand	A well-functioning and resilient housing market that supports housing choice and supply.
Targeted Support	People are supported out of crisis or homelessness to maintain and improve their housing outcomes.

Table 3-2: Key Strategies - Our Housing Future 2020-2030

Strategy	Description
Strategy 1	Create conditions for a well-functioning housing market that meets the housing needs of all South Australians
Strategy 2	Reduce housing affordability stress through 20,000 affordable housing solutions
Strategy 3	Create housing pathways to enable people to access housing and services as their needs change
Strategy 4	Prevent and reduce homelessness through targeted and tailored responses
Strategy 5	Modernise the social housing system and reposition it for success

To successfully deliver against the intent of the five key strategies, *Our Housing Future 2020-2030* identifies a number of actions supporting its delivery. Each action recognises a lead organisation (including other government departments) and timeframe in which to deliver it, thus demonstrating a level of accountability.

To support the delivery of these actions and achieve the desired outcomes it is acknowledged that the State Government has committed to spending:

- $452m into new and affordable housing supply.
- $75m to begin addressing the public housing capital maintenance backlog.
- $20m to support innovative housing trials where there are clear gaps in the system, with the aim of generating further investment through partnerships whilst reducing the reliance on emergency accommodation for vulnerable customers.

A breakdown of this funding allocation is provided in more detail within the strategy itself.

Noting that this Triennial Review falls within the first two years of the implementation of *Our Housing Future 2020-2030*, Section 3.3.2 provides a summary of progress achieved, current to 30 June 2021.

3.2.2.2   The SA Housing Authority Strategic Plan 2020-25

Heavily influenced by the state-wide strategy *Our Housing Future 2020-*30, the *Strategic Plan 2020-2025* (*Strategic Plan)* is SA Housing Authority's five-year plan to deliver better housing choices for South Australians.

SA Housing Authority's strategic vision notes that:

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

Source: (SA Housing Authority, 2020)

Key themes from the previous Triennial Review and establishment principles of SA Housing Authority were also identified as strategic drivers which informed the development of the *Strategic Plan*. In order to provide "*better housing choices for South Australians",* the it outlines five key Objectives and associated Strategic Outcomes / Performance Measures within the five-year period per Table 3-3 below.

Table 3-3: SA Housing Authority Strategic Plan 2020-25 Objectives

Objective	Description	Strategic Outcomes	Performance Measure
Lead	Model a strong, fair and inclusive housing system that delivers on community expectations	1.1 Transparently and accountable meeting housing needs and deliver value for money. 1.2 A culture of collaboration, inclusivity and diversity is supported and rewarded	Delivery of 10,000 affordable housing solutions.
Excel	Equip our people to provide efficient and effective services for our customers.	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.	Improve culture indicators by 20%.
Renew	Invest in sustainable housing to provide greater choice and better customer outcomes that support state growth	3.1 Portfolio planned housing matched to customer needs 3.2 Develop effective industry partnerships to increase investment, innovation and housing outcomes.	Investment of $452m into new social and affordable housing supply
Modernise	Make it easier for South Australians to get the housing assistance they need, when they need it, for the time they need it.	4.1 Assist customers to achieve independence and meet their housing aspirations. 4.2 Implement local solutions that improve the outcomes for our customers and the communities they live in.	Increase the number of housing registrants receiving at least one housing related service by 10%.
Transform	Design and deliver new homelessness service models with our partners to assist people to remain in or achieve sustained housing.	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.	Achieve Functional Zero for rough sleepers.

While it is recognised that a number of these objectives and associated performance measures draw parallels with actions to be delivered by SA Housing Authority within its *Our Housing Future 2020-30* commitments, linkages could be strengthened. It is also acknowledged that a number of objectives and associated performance measures relate to the SA Housing Authority's corporate strategy.

STRATEGY

The *Strategic Plan* also articulates a transformation timeline in consideration of the SA Housing Authority's operations from 2018 to 2025 and beyond, as per Figure 3-3.

2018 | **2018-2020** Develop a new strategic approach with a focus on **people**.

2020 | **2020-2025** Deliver new service models with our **partners** which coordinates, integrates and better targets fund to appropriate service and supply responses.

2025 | **2025 and beyond** Our new image supported by clarity of role and excellent **performance**.

Figure 3-3: SA Housing Authority's Transformation Timeline

The initial phase of the timeline sought to develop a new strategic approach for SA Housing Authority with a focus on people. This includes the establishment of corporate capability and skills with a new, integrated structure to support the Strategy. The completion of this phase was evidenced through the development and public release of *Our Housing Future 2020-2030* in December 2019.

Focused on the successful delivery of the Strategy, the second phase sees SA Housing Authority shifting its attention to delivering on the established approach through the implementation of new service and supply models with its partners. Subsequently, the aim is to fulfil the strategies from *Our Housing Future 2020-2030* and to solidify a new image supported by clarity of role and excellent performance. SA Housing Authority is currently in the early stages of the second phase, delivering new services models.

From 2025, SA Housing Authority intends to grow its success, realising its vision as a world-leading housing provider and employer of choice.

It is highlighted that all commentary and assessment within this Triennial Review must be read in consideration of the maturity of the SA Housing Authority within its transformation timeline.

3.2.2.3   The SA Housing Authority Business Plan 2020-21

SA Housing Authority's annual business planning process underpins its *Strategic Plan* and contains details on how the SA Housing Authority will achieve relevant initiatives within *Our Housing Future 2020-2030* and *Strategic Plan*. Increased alignment of this to SA Housing Authority's commitments within *Our Housing Future 2020-2030* is strongly recommended to be further explored.

Noting the linkages between the *Business Plan 2020-21* and *Our Housing Future 2020-2030*, progress against relevant performance measures, priority initiatives and associated deliverables was considered to bolster the assessment of the SA Housing Authority's progress against *Our Housing Future 2020-2030*.
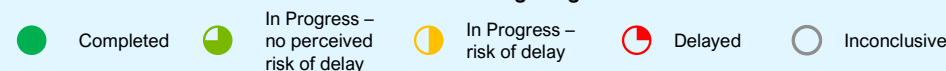
It is acknowledged that use of supporting *Business Plan 2020-21* commentary will enable a more informed time assessment in consideration of the SA Housing Authority's position on the transformation timeline (i.e. within the first two years of implementation of the state-wide strategy). Section 3.3.2 provides a summary of progress achieved against relevant items of note, current to 30 June 2021.

3.3   The SA Housing Authority's Progress Against Our Housing Future 2020-2030

Term of Reference	
S1	How has SA Housing Authority performed against the State Housing and Homelessness Strategy: Our Housing Future?

A traffic light assessment was adopted to assess SA Housing Authority's progress against the State Housing and Homelessness Strategy, *Our Housing Future 2020-2030* per Table 3-4 below.

Table 3-4: Ratings Legend

Completed | In Progress – no perceived risk of delay | In Progress – risk of delay | Delayed | Inconclusive

3.3.1   Overview

The overarching progress observed within this review was as follows:

▪ **Implementation of South Australia's first integrated Housing and Homelessness Strategy**: Reflecting the Triennial Review window is in the first two years of implementation, *Our Housing Future 2020-2030* launched December 2019 and articulates five key strategies focused on building a resilient, connected and sustainable housing system. It is acknowledged as a whole-of-system strategy involved in the planning, financing and delivery of housing and related services.

▪ **Establishment of Strategic Intent**: SA Housing Authority has operationalised the actions it is leading via the SA Housing Authority five-year *Strategic Plan*, with annual priorities progressed as part of annual business planning. This has seen SA Housing Authority identifying a clear strategic intent along with a transformation timeline as it works to a new business model. Further to Authority-led actions, it is acknowledged that a number of measures have also been assigned to other government organisations, non-government organisations and the private sector. This demonstrates that successful implementation of the strategy requires the entire network of partners to unify and deliver against commitments.

▪ *Our Housing Future 2020-2030 Progress*: Reporting of *Our Housing Future 2020-2030* progress uses a range of reporting mechanisms, data sources and a mix of qualitative / quantitative measures. With broad timeframes within the strategy defined as being short, medium or long-term, no definitive assessment was established against detailed initiatives, however a traffic light assessment against the five key strategies within *Our Housing Future 2020-2030* revealed SA Housing Authority are '**In progress**', with '**no significant risk of delay**' to the long-term outcome. SA Housing Authority would benefit from greater clarity in the definition of timeframes.

▪ **Enhancing the Reporting Framework**: As SA Housing Authority matures in accordance with its transformation timeline, a review and alignment of SA Housing Authority's Performance reporting framework and Key Performance Indicators would be beneficial in strengthening progress reporting and monitoring activities. It is noted that multiple sources of information were required to evidence progress reporting.

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3.3.2 Our Housing Future 2020-2030 Progress

As articulated in Section 3.2.2.1, *Our Housing Future 2020-2030* highlights five key strategies, with 33 actions focused on building a resilient, connected and sustainable housing system.

Table 3-5 to Table 3-9 (below) provides a summary of progress against each of the five key strategies. Where relevant, supporting annual business planning activities have been considered to strengthen the overarching assessment noting the linkages identified in Section 3.2.2.3 and enabling a more informed assessment to be made.

It is affirmed that the review period of this assessment falls within the first two years of the Strategy's implementation. With a vast majority of actions advised to be in the early stages of development and deemed '**In Progress**', the transformation timeline outlined in Section 3.2.2.2 is a key reference point that balances this assessment.

Table 3-5: Summary of SA Housing Authority's Progress - Our Housing Future 2020-2030, Strategy 1

Strategy 1: Create conditions for a well-functioning housing market that meets the housing needs of all South Australians.		
Our Housing Future 2020-2030 Progress		**Rating**
# Actions:	5	
Status:	In Progress.	
Focus:	Improving the housing market.	
Action Status	As of 30 June 2021, **3 of the 5 actions were assessed as complete,** with Action 1.3 and 1.4 identified as still in progress.	
Summary of Progress:	▪ The SA Housing Authority released the *20-Year State Infrastructure Strategy* on the 13th of May 2020, which contained a chapter on Housing (Action 1.1). ▪ A *Planning and Design code* was developed to create an appropriate land supply pipeline and diversity of housing. It is acknowledged that the *Code* came into effect in urban areas of SA on 19 March 2021 and is publicly available through the PlanSA portal. This action was identified to contain linkages to the "Renew" performance measure per the *2020-21 Business Plan* as it reflects the SA Housing Authority's intent to include the *15% Affordable Housing Policy* within the *Planning and Design code* (Action 1.2). ▪ The establishment of **leadership and governance mechanisms** to coordinate housing policy across local, state and federal governments was acknowledged as a key initiative within the "Lead" and "Renew" performance measures stated within the *2020-21 Business Plan* and has been assessed as '**In Progress**' (Action 1.3). ▪ **The development of local / regional plans** to respond to specific conditions and local demand was assessed as '**In Progress**', this action demonstrates linkages to key initiatives stated within "Lead" and "Renew" performance measures, as per *2020-21 Business Plan* (Action 1.4).	

Strategy 1: Create conditions for a well-functioning housing market that meets the housing needs of all South Australians.	
	▪ **Housing Design Guidelines** were published to improve the lifespan of public housing (Action 1.5).
Relevant Activities	
It is acknowledged that key initiatives under performance measures stated within the *2020-21 Business Plan*, provide linkages to the actions summarised in *Our Housing Future 2020-2030 Progress* (above) therefore no additional relevant activities have been analysed.	

Table 3-6: Summary of SA Housing Authority's Progress - Our Housing Future 2020-2030, Strategy 2

Strategy 2: Reduce housing affordability stress through 20,000 affordable housing solutions.		
Our Housing Future 2020-2030 Progress		**Rating**
# Actions:	8	
Status:	In Progress.	
Focus:	Delivering affordable housing solutions.	
Action Status	As of 30 June 2021, **1 of the 8 actions were assessed as complete (Action 2.8)**, with majority of the actions identified as still in progress.	
Summary of Progress:	▪ **1,954** affordable housing solutions had by delivered at the conclusion of FY 2020-21 (relative to all actions). ▪ **Aligned** to action 2.4 of *Our Housing Future 2020-2030*, the *2020-21 Business Plan* sets the interim target to deliver 144 new social, affordable and market houses by the end of FY 2020-21. It was acknowledged as at 30 June 2021 that SA Housing Authority had delivered 122 new social, affordable and market houses, as such progress against this action was assessed as '**In Progress**' noting no perceived risk of delay to the long term outcome (Action 2.4). ▪ The SA Housing Authority **launched an Affordable Community Housing Land Tax Exemption Pilot** on 1 March 2020. SA Housing Authority noted 3 CHPs joined the pilot (Action 2.8).	
Relevant Activities		
Delivery of 2,000 affordable housing solutions (*Business Plan 2020-21*)	▪ As per the performance measure stated within the *2020-21 Business Plan*, the SA Housing Authority intent was to deliver 2,000 affordable housing solutions by the end of FY 2020-21. ▪ Recognised within *Our Housing Future 2020-2030* were actions 2.1, 2.2, 2.4, 2.5, 2.7 and 2.8 which directly aligned to this target. It is acknowledged that this target is aligned to the 'Lead' performance measure as per the *Strategic Plan*. As identified in the SA Housing Authority's Progress Reports, the 'actual' number of affordable housing solutions delivered was 1,954, this reflects a 46 variance from the anticipated 2020-21 target.	

Strategy 2: Reduce housing affordability stress through 20,000 affordable housing solutions.		
	· Discrepancies in data were identified within the progress reports provided by SA Housing Authority. Whilst the overarching data indicated that SA Housing Authority was on schedule, the sublevel data provided by SA Housing Authority upon additional request differed, resulting in this performance measure being considered as 'Inconclusive'. Notably, the number of affordable housing listings (576) and number of sales to eligible buyers (204) varied in comparison to the number of actual affordable housing solutions delivered (1,954). Flagging a 1,311 variation. · SA Housing Authority would benefit from implementing reporting systems that accurately record the number of affordable housing solutions delivered to Customers.	
Investment of $452 million into new social and affordable housing supply (*Business Plan 2020-21*)	· Directly aligned to actions 2.1 and 2.2 of *Our Housing Future 2020-2030*, the *Business Plan 2020-21*, sets the interim target of investing $72.7m into new social and affordable housing supply by the end of FY 2020-21. · It is acknowledged that this target is aligned to the 'Renew' performance measure as per the *Strategic Plan*. · It is recognised that SA Housing Authority's FY 2020-21 investment was $14.3m. This reflects a $58.4m variance from the anticipated June 2021 target, and can be attributed to the current climate of the construction industry in which labour and material shortages are being experienced. Further, it is acknowledged that approval timeframes have been longer than anticipated approval timeframes. · As such, while progress against this interim target has been assessed as '**Delayed**', it is acknowledged that the delivery program has been updated and there is no perceived risk of delay to the long-term outcome.	🔴

Table 3-7: Summary of SA Housing Authority's Progress - Our Housing Future 2020-2030, Strategy 3

Strategy 3: Create housing pathways to enable people to access housing and services as their needs change.		
Our Housing Future 2020-2030 Progress		**Rating**
# Actions:	8	🟢
Status:	In Progress.	
Focus:	Integrating homelessness and support services.	
Action Status	As of 30 June 2021, **4 of the 8 actions were assessed as complete**, with the majority of actions (actions 3.1, 3.3, 3.4 and 3.6) identified as still in progress.	
Summary of Progress:	· As at 30 June 2021, the SA Housing Authority have described the **modernisation of service hubs** as "currently underway", as such this action has been assessed as '**In Progress**' (Action 3.1). · The commencement of the pilot **Housing for Health** has assisted 45-60 rough sleepers into integrated mental health and drug / alcohol support, which came into effect on 1 July 2021.	

It is acknowledged that this action focuses on Customers requiring more than social housing access to additional support (Action 3.2).

· Information regarding **shared leasing arrangements** is publicly available on the HomeSeeker SA website, therefore remain '**In Progress**' (Action 3.3).

· Regions continue to incorporate referral to services as part of Business-as-Usual, it is recognised that this action focuses on **connecting social housing tenants with National Disability Insurance Scheme and aged care benefits** (Action 3.4).

· A new Housing Advice Advocacy and Engagement Service delivered by SYC had commenced on 1 October 2020, branded 'Rent Right SA'. A key aspect of this service is the **incorporation of lived experience**, which informs and **improves services delivered** to Customers. Additionally, the incorporation of lived experience has been recognised through the development of *Our Housing Future 2020-2030* and has subsequentially informed the *Future Directions for Homelessness* and the implementation of the SA Homelessness Alliances (Action 3.5).

· Information regarding the available **grants and subsidies for low to moderate income households** is accessible via the HomeSeeker SA website (Action 3.6).

· **Moderate rent reform** was implemented on 1 July 2021, which contributes to bridging the gap between social housing and private rental/home ownership, with what was indicated to have as a 'medium-term' timeframe, to have been completed early (Action 3.7).

· SA Housing Authority released the *Aboriginal Housing Strategy* on 27 May 2021, which was also recognised as a key deliverable within the *2020-21 Business Plan* (Action 3.8).

Relevant Activities		
Increase the number of housing registrants receiving at least one housing related service by 10% (*Business Plan 2020-21*)	· Linked to actions such as 3.3, 3.4, 3.6 and 3.7 of *Our Housing Future 2020-2030*, the *Business Plan 2020-21*, sets the interim target of increasing the number of housing registrants receiving at least one housing relating service by 2% by the end of FY 2020-21. · It is acknowledged that this target is aligned to the 'Modernise' performance measure as per the *Strategic Plan* and is recognised across a number of key initiatives within the *2020-21 Business Plan*. · It was assessed that the number of housing registrants receiving at least one housing related service had decreased by 37.6%. The SA Housing Authority had noted that this could be an attribute of the Single Housing Register's implementation in March 2021. in which may have influenced the datasets. Additionally, the reductions in all forms of Private Rental Assistance (i.e. Bond, Rent-in-Advance and Rent-in-Arrears) likely influenced by private market forces associated with COVID-19. · As such, the progress against this performance measure has been assessed as '**Delayed**'.	🔴
Connecting Social Housing Tenants with	· Linked to action 3.2 within *Our Housing Future 2020*-2030, the *2020-21 Business* Plan set an interim target of connecting social housing tenants with NDIS and Aged Care benefits by the end of FY 2020-21.	🟢

STRATEGY

Strategy 3: Create housing pathways to enable people to access housing and services as their needs change.		
NDIS and Aged Care Benefits (*Business Plan 2020-21*)	▪ The initiative aims to provide more sustainable and independent tenancies by assisting social housing tenants to access additional support, as well as undergo project scoping to identify partners and opportunities for system enhanced connections. ▪ Progress against this initiative is recognised as '**In Progress**', noting regions continue to incorporate referral to services as part of Business-as-Usual.	
Review, Consolidate and Modernise Housing SA Regional Offices (*Business Plan 2020-21*)	▪ Directly aligned to action 3.1 within *Our Housing Future 2020-2030*, the *2020-21 Business Plan* provides a number of deliverables aimed at reviewing, consolidating and modernising Housing SA regional offices. ▪ Deliverables within this initiative were identified as: – Completing a review of existing Housing SA offices; – Assessing the feasibility of service hubs including the use of technology to improve ease of access to services; – Investigate program reforms in the areas of bond guarantees and rental assistance; and – Develop a contact centre strategy, including need for services offered by current contact centres. ▪ It is recognised that an Office Modernisation Project Plan was approved by Executive in October 2020 and the modernisation of offices was underway (as at 30 June 2021). As such, progress against this initiative have been assessed a '**Completed**'.	●

Table 3-8: Summary of SA Housing Authority's Progress - Our Housing Future 2020-2030, Strategy 4

Strategy 4: Prevent and reduce homelessness through target and tailored responses.		
Our Housing Future 2020-2030 Progress		**Rating**
# Actions:	6	
Status:	In Progress.	◔
Focus:	Integrating homelessness and support services.	
Action Status	As of 30 June 2021, **2 of the 6 actions were assessed as complete,** with actions 4.1, 4.2, 4.4, and 4.6 identified as still in progress. It is to be noted that Actions 4.2 and 4.4 will have a status which remains 'In Progress' due to a nominated 'Ongoing' timeframe.	
Summary of Progress:	▪ Whilst SA Housing Authority demonstrated competency in implementing **moderate rent reforms**, the number of housing registrants who received at least one housing related service decreased by 38.6%. ▪ Reductions in all forms of private rental assistance (Bond, Rent in Advance, Rent in Arrears) likely influenced by private market forces associated with COVID-19.	

Strategy 4: Prevent and reduce homelessness through target and tailored responses.		
	▪ It is noted that SA Housing Authority provided commentary stating the list of services provided for analysis was focused to draw a clearer lens in this performance measure.	
Relevant Activities		
Achieve Functional Zero* for rough sleepers (Business Plan 2020-21)	▪ Directly aligned to action 4.4 of *Our Housing Future 2020-2030*, the *Business Plan 2020-21*, sets the interim target of achieving functional zero for rough sleepers in Adelaide CDB by the end of FY 2020-21. ▪ It is acknowledged that this target is aligned to the "Transform" performance measures as per the Strategic Plan. ▪ It is recognised that SA Housing Authority has provided housing to an average 21 out of approximately 119 customers experiencing homelessness from the 'By Name List' (BNL), per month. It was realised that this resulted in approximately 98 persons remaining unhoused. ▪ As such, Functional Zero was not achieved in Adelaide CBD for FY 2020-21 and has been assessed as '**Delayed**'.	◔

*Functional Zero was described within the SA Housing Authority Strategic Plan 2020-25 to happen when a community's average housing placement rate is more than the number of people sleeping rough (Adelaide Zero Project)((SAHA, 2020).

Table 3-9: Summary of SA Housing Authority's Progress - Our Housing Future 2020-2030, Strategy 5

Strategy 5: Modernise the social housing system and reposition it for success.		
Our Housing Future 2020-2030 Progress		**Rating**
# Actions:	6	
Status:	In Progress.	◔
Focus:	Modernising the social housing sector.	
Action Status	As of 3 June 2021, **2 of 6 actions were completed,** with Actions 1, 3, 4 and 5 still pending completion.	
Summary of Progress:	▪ Whilst **investment into public housing capital maintenance** was-$67.7m below its FY 2020-21 target, as a result of approval timeframes having taken longer than anticipated. It is acknowledged that the project is still on track to meet its long term timeframes. It is acknowledged that the SA Housing Authority have accelerated works to compensate for a delayed start. As such, this action has been assessed as '**In Progress**' (Action 5.1). ▪ Implementation of a **Single Housing Register** on 1 March 2021 (Action 5.2).	

Strategy 5: Modernise the social housing system and reposition it for success.		
Our Housing Future 2020-2030 Progress		**Rating**
	• The SA Housing Authority had engaged an independent advisor to undertake a benchmarking analysis to assess the financial sustainability of the system. It is acknowledged that a final project report was tabled and presented to SA Housing Authority Board in April 2021. As such, the action remains 'In Progress' as a result of the work currently being undertaken on the 10-Year plan aimed ats optimising the effective and efficient management of social housing. Noting, further discussion regarding this action has been described within Section 6 (Action 5.3).	
	• It was observed that SA Housing Authority made no development to the implementation of an *Industry Development Framework* (Action 5.5). Implementation of a **Unit Cost Model** to provide transparency and accountability for government subsidies (Action 5.6).	
Relevant Activities		
Delivering up to 1,000 employment and training outcomes targeted to social housing tenants (Business Plan 2020-21)	• Directly aligned to actions 5.4 of *Our Housing Future 2020-2030*, the *Business Plan 2020-21*, sets the interim target of delivering up to 1,000 employment and training outcomes targeted to social housing tenants by the end of FY 2020-21. The provision of training and support to staff is recognised as a key deliverable for cultural growth. • It is acknowledged that without sufficient data on the staff participation and engagement scores, SA Housing Authority's progress in relation to Cultural Growth is considered as 'Inconclusive'. As such, it is recommended to clarify the measurement for the improvement of culture indicators moving forward.	◯
Unit Cost Model developed and presented to Board, supporting the service model review and financial viability business case (Business Plan 2020-21)	• Directly linked to action 5.6 with *Our Housing Future 2020-2030*, which focuses on improving the SA Housing Authority's understanding of program costs to support enhanced budgeting, decision making, program evaluation and sector benchmarking. • It is acknowledged that a final project report was tabled and presented to SA Housing Authority Board in April 2021. As such, progress against this deliverable has been assessed as '**Completed**'.	🟢

Further detail against the progress of each strategy is outlined within Appendix B and C.

3.4 Placing the 'Customer at the Centre'

3.4.1 Overview

SA Housing Authority's progress in placing the 'customer at the centre', specifically against its commitments within the *Our Housing Future 2020-2030* found that:

- **Defining 'Customer at the Centre' System-wide:** While SA Housing Authority demonstrated a level understanding in placing the 'customer at the centre' subjective to an individual's lens, there is a need for a system-wide definition that enables a consistent and integrated approach to the housing and homelessness system. This must include consistency between SA Housing Authority and its partners (government organisations, non-government organisations and the private sector) noting that the successful implementation of *Our Housing Future 2020-2030* requires this entire network to come together and deliver against committed actions.

- **Clarifying Priority Cohorts:** The importance of improving clarity in priority cohorts as it relates to the affordable housing sector was unanimously expressed within internal and external stakeholders during consultations. Acknowledging such a broad customer base, a customer charter (or, alike) should be explored by SA Housing Authority to guide the operations of SA Housing Authority and its partners across decision making processes with customers.

- **Enhancing Integration of SA Housing Authority and its Partners**: A number of opportunities to improve customer experience and service unique needs across the housing continuum were presented across consultations, particularly via the enhanced integration and sharing of information between government departments and providers. A whole-of-system approach to data including but not limited to consideration into performance measures should be further explored by SA Housing Authority, noting that the system is currently observed to be working in silos.

- **Homelessness Alliances Reform:** Positive connotations regarding the homelessness reform were expressed by internal and external stakeholders of SA Housing Authority commending the system-wide and preventative approach that intends to place the 'customer at the centre'.

- **Delineation of Service Offerings:** Improvement in the delineation of service offerings and accountability between SA Housing Authority and other government departments in several areas were identified across stakeholder consultations, particularly for mixed tenures. Clarity in roles system-wide should be further developed by SA Housing Authority to better enable the harmonisation of government, government departments and providers at multiple levels.

STRATEGY

3.4.2 Understanding 'Customer at the Centre'

A desktop review of documentation published by SA Housing Authority revealed that the definition of 'customer at the centre' evolved over the Triennial Review window.

This Term of Reference specifically seeks to understand progress against placing the 'customer at the centre' with respect to SA Housing Authority's Strategy. Hence, 'customer at the centre', as defined within SA Housing Authority's Strategy, *Our Housing Future 2020-2030* was used for the purpose of this assessment.

"Put the housing customer at the centre of decision-making, service provision and planning"

Source: (Government of South Australia, 2019)

Further to the above, it is acknowledged that SA Housing Authority's Practice Framework defines what it means to apply a 'customer at the centre' approach, as discussed in Section 5.2.1.

3.4.3 Strategic Intent

While it is acknowledged that *Our Housing Future 2020-2030* does not specifically articulate placing the 'customer at the centre', it is noted that majority of actions are considered to inherently reference or infer the intention of this terminology through addressing elements of decision-making, service provision or planning in the housing and homelessness system. The following sections investigate progress against *Our Housing Future 2020-2030* relevant to this area in further detail.

3.4.4 Progress Achieved against Commitments

Noting the definition of 'customer at the centre', actions within *Our Housing Future 2020-2030* were categorised into three key elements: housing, service provision and planning.

Table 3-10 provides a breakdown of the actions and identifies whether it was considered to make a specific reference or infers an outcome to placing the 'customer at the centre'. It is acknowledged that a several actions addressed multiple elements.

Table 3-10: Breakdown of Actions by Elements - Our Housing Future 2020-2030

Element	Description	Referenced	Inferenced
Housing	Delivering housing outcomes for customers.	17	6
Service Provision	Providing services to customers.	11	10
Planning	Addressing planning as it relates to service delivery and operations.	1	7

With the analysis demonstrating that majority of actions within *Our Housing Future 2020-2030* either references or infers placing the 'customer at the centre', assessment of progress made *against Our Housing Future 2020-2030* within Section 3.3.2 applies. This assessment generally found that:

- The majority of actions within the five key strategies of *Our Housing Future 2020-2030* were noted to be '**In Progress**' with '**no perceived risk of delay**' in SA Housing Authority's ability to achieve long-term objectives.

- Progression / completion of actions appear to be proportionate with SA Housing Authority's maturity along its transformation timeline, per Figure 3-3.

3.4.4.1 Stakeholder Consultations

Further to an assessment of progress against actions within *Our Housing Future 2020-2030*, a series of stakeholder consultations were held with internal Authority stakeholders, the Aboriginal Advisory Committee, Community Housing Providers and Referral Agencies to understand how placing the 'customer at the centre' is being realised in practice.

The key themes observed within consultations are outlined in Table 3-11.

Table 3-11: Summary of Stakeholder Feedback - 'Customer at the Centre'

Key Themes	Observation
Defining 'customer at the centre'	- Stakeholders demonstrated an understanding of what placing the 'customer at the centre' means as it relates to their individual day-to-day activities**.** - A universal definition of 'customer at the centre' was unavailable and must be further explored by SA Housing Authority to enable a whole of system approach.
Priority Cohorts	- When asked to describe the interpretation of placing the 'customer at the centre' based on the agreed definition for this review, stakeholders coherently responded with *'which Customer do we place in the centre?'*. - Stakeholders acknowledged that clarity on priority cohorts is required system-wide to enable a consistent approach when placing the 'customer at the centre'.
An Integrated Housing and Homelessness System	- Opportunities for improvement regarding the integration between housing and homelessness services to holistically support the unique needs of customers across the housing continuum were expressed by stakeholders. - Some functions within and parallel to SA Housing Authority were noted to be operating in silos, rather than holistically to address customer needs. Examples and stories of customers needing to retell their story to multiple agencies, multiples times were shared in support of this observation. - It was also acknowledged that referral pathways rely on individualised or localised level responses rather than a whole-of-system approach.
Homelessness Alliances	- Stakeholders shared positive connotations around the direction of the Homelessness Alliances (refer Section 2.2.1.1) enabling system-level outcomes for customers between specialist providers and the government.

Key Themes	Observation
Delineation of Service Offerings	- Improvement in the delineation of service offerings and accountability between SA Housing Authority and other government departments in several areas were identified by stakeholders, particularly for mixed tenures. - This includes cohorts from the young and elderly to individuals with complex disabilities requiring 24-hour support. In extension of a key theme identified within stakeholder consultations, the key areas identified for improvement within the delineation of services between SA Housing Authority and other providers have been outlined in Table 3-12 below. - Table 3-12 outlines the potential gaps between services that must be further explored by SA Housing Authority and its partners.

In extension of a key theme identified within stakeholder consultations, the key areas identified for improvement within the delineation of services between SA Housing Authority and other providers have been outlined in Table 3-12 below.

Table 3-12: Summary of Stakeholder Feedback - Service Gaps

Cohort	Observation
Younger people	- Stakeholders noted the increasing number of younger people requiring support, suggesting that families are not being aided early enough. - Stakeholders highlighted research undertaken by the Early Intervention Research Directorate which identified four youth priority populations with the greatest likelihood of disrupting intergenerational patterns of abuse and neglect, noting the linkages with housing support. This includes young parents, adolescents within complex trauma histories, Aboriginal families with multiple and complex needs and families of infants at risk. - Stakeholders acknowledged that aligning service system responses to these cohorts at an early stage have the potential to disrupt intergenerational patterns of abuse and neglect, and improve outcomes for all children, including future children born to these parents (Early Intervention Research Directorate, 2019).
Older people	- Stakeholders generally observed that more elderly people are encountering homelessness as a result of being pushed out of the private rental market and/or being prematurely pushed into aged care due to limited support. - Noting the above, stakeholders highlighted the need to ensure that adequate supports are available that allow older people to age in place and reduce the risk of homelessness.
Large Families	- Stakeholders acknowledged that the current social housing asset portfolio does not appear to accommodate larger kinship arrangements. Consequently, dwellings are often inappropriate in meeting the needs of individual households. This could lead to overcrowding.
People with Complex Disabilities	- People with complex disabilities include customers requiring mental health or psycho-social support.

Cohort	Observation
requiring 24-hour Support	- Stakeholders noted the unique living needs of those with complex disabilities, including the requirement for supported accommodation. Furthermore, it was acknowledged that there is limited to no response in providing critical housing support and services to people with complex disabilities out of hours.
People in Regional or Remote Settings	- Stakeholders noted gaps for customers (particularly Aboriginal and Torres Strait Islander customers) when accessing accommodation in regional or remote settings. Often, housing options do not match the needs of the customers given the limited choice, frequently resulting in overcrowding.
People Leaving Incarceration or Care	- Stakeholders acknowledged that rental accommodation is in short supply for any member of the community. Due to a number of factors such as debt and a past history of tenancy damage or complaints, people leaving incarceration or care are often overlooked, leaving them with limited housing choices. - Without sustainable accommodation, customers leaving incarceration are often at risk of returning to custody as appropriate services have not been provided which enable them to contribute to communities or be self-sufficient. - Young people leaving care also experience similar difficulties in securing housing, resulting in them staying in care for longer than required.
Culturally and Linguistically Diverse (CALD) Groups	- Stakeholders noted there is a gap in the allocation of appropriate housing and the delivery of culturally sensitive services for culturally and linguistically diverse groups. It was acknowledged that these cohorts may need a range of mechanisms to ensure informed choice. These mechanisms may need to observe certain sensitivies and employ a variety of other culturally appropriate ways to provide service information. - The Aboriginal Advisory Committee also acknowledged a gap in understanding within the system with respect to the mobility patterns of Aboriginal and Torres Strait Islander customers (refer Section 3.6).

3.5 Incorporating 'Lived Experience'

Term of Reference	
S1a	How has SA Housing Authority performed against the State Housing and Homelessness Strategy: Our Housing Future? ▪ What has been the **progress against** the strategic intent, in particular 'customer at the centre' including **incorporating lived experience**?

3.5.1 Overview

SA Housing Authority's progress in incorporating lived experience, specifically against its commitments within the *Our Housing Future 2020-2030* found that:

▪ **Universal Definition of 'Lived Experience'**: While it is acknowledged that Action 3.5 of *Our Housing Future 2020-2030* commits to the improvement of service delivery by incorporating lived experience, SA Housing Authority would benefit from a consistent definition being established system-wide to better enable the deliver and measurement of this objective.

▪ **Level of Demonstration of Incorporating Lived Experience**: Within consultations, Authority stakeholders resonated with the Hierarchy of Lived Experience, as defined by the Australian National University, per below (ANU, 2020):

– **Tier 1:** People with lived experience have shared decision-making.
– **Tier 2:** People with lived experience co-design services and programs.
– **Tier 3:** People with lived experience leading advisory groups/representatives in working groups.
– **Tier 4:** People with lived experience co-design polices and strategies.

Whilst the stakeholders demonstrated great passion and an appetite for incorporating lived experience in alignment with the Tier 1 definition, stakeholders mutually agreed that SA Housing Authority are currently operating at a Tier 4 level (i.e. people with lived experience co-designing policies and strategies, as demonstrated through the Lived Experience Workshops and its relationship in the development of *Our Housing Future 2020-2030*).

▪ **Incorporation of Lived Experience**: Development of *Our Housing Future 2020-2030* was informed by engagement with lived experience across housing tenures, homelessness and support sectors. This included a number of workshops undertaken by The Australian Centre for Social Innovation (TACSI). It is recognised that the key outcomes outlined within Our Housing Future 2020-2030 appear to align with ideas shared by participants of the TASCI-led Lived Experience Workshops, demonstrating evidence of SA Housing Authority operating at a Tier 4 level. Evidence of incorporating lived experience is also reflected through the establishment of Pillar 1 within the *Aboriginal Housing Strategy*, which is centred around incorporating the voices of Aboriginal customers in decision-making.

▪ **Progress against Our Housing Future 2020-2030**: Delivery of Action 3.5 within *Our Housing Future 2020-2030* appears to be '**In Progress – no perceived risk of delay**'. This is evidenced through commencement of the new Housing Advice Advocacy and Engagement Service, referred to as 'Rent Right SA'.

Noting the broad nature of language within Action 3.5, key initiatives pertaining to lived experience within the *Business Plan 2020-21* was also considered. This included consideration into progress against deliverables which aim to embed workforce cultural lived experience, equality and respect practices across the organisation. While majority of these deliverables were understood to be '**Delayed**' in FY 2020-21, it is acknowledged that this may not necessarily pertain to a delayed completion. SA Housing Authority provided commentary to support its intent to accelerate programs to achieve their long-term target, noting that deliverables are anticipated to resume in FY 2021-22.

▪ **Enhancing the Reporting Framework**: As SA Housing Authority matures in accordance with its transformation timeline, a review and alignment of SA Housing Authority's Performance reporting framework and Key Performance Indicators would be beneficial in evidencing lived experience, strengthening progress reporting, demonstrating direct alignment with key actions within *Our Housing Future 2020-2030* and monitoring activities. It is noted that assessment of SA Housing Authority's progress has been based on subjective commentary.

▪ **Flexible and Responsive Housing System**: It was observed that participants of the TACSI-led Lived Experience Workshops considered a flexible and responsive housing system, one which listens to people with lived experience and is able to shape services around the individual needs, rather than provide restricted services, in a one size fits all system. Participants also felt that the system could benefit from developing a deeper understanding of their customers and what is important to them. This is in alignment with feedback from stakeholder consultations, which recognised the importance of incorporating lived experience in better recognising and understanding the diverse and unique needs of each customer.

3.5.2 Understanding Lived Experience

As part of the development of *Our Housing Future 2020-2030*, SA Housing Authority engaged The Australian Centre for Social Innovation (TACSI) to undertake Lived Experience Workshops to better understand customer needs, experiences, considerations for service delivery, business model design and improvements. As part of these workshops, lived experience was defined as:

> *People who have* **experienced housing challenges** *(e.g. people who have experienced homelessness, who have been a customer or are a customer of programs and services provided by SA Housing Authority/housing and homelessness system).*
>
> Source: (TACSI, 2019)

While stakeholders demonstrated understanding of incorporating lived experience during consultations, it was agreed that no universally recognised definition exists system-wide. Therefore, for the purpose of this assessment, the definition adopted by SA Housing Authority as part of the Lived Experience Workshops will be used as the definition when referring to lived experience.

To supplement the above definition, as stated by the Australian Institute of Health and Welfare (AIHW) it is acknowledged that people who have experienced homelessness, or lived experience per the above definition, could be attributed to the physical, mental and emotional challenges a person has experienced (AIHW, 2021).

3.5.3 Strategic Intent and Progress Achieved against Commitments

Development of *Our Housing Future 2020-2030* was informed by the engagement of lived experience across housing tenures, homelessness and support sectors through twelve TACSI workshops. It is acknowledged that seven cohorts were represented within these foundational discussions, including:

- People experiencing homelessness or are facing homelessness.
- Survivors of domestic and family violence.
- Aboriginal and Torres Strait Islander people.
- Seniors.
- People living in private rental and social housing.
- People with a disability.
- Young people.

Additionally, significant engagement occurred across the state's regions, online platforms, industry, housing sector and community forums to help identify and explore housing challenges and solutions (Government of South Australia, 2019).

3.5.3.1 Alignment of Lived Experience Workshops with Strategic Intent

As defined in *Our Housing Future 2020-2030,* success in embedding lived experience is intended to be measured by four key outcomes:

- Customer at the centre
- Effective and efficient industry
- Matching the right supply with demand
- Targeted support

It is noted that these outcomes appeared to cleanly align with ideas shared by participants of the Lived Experience Workshops, as summarised in Table 3-13.

Table 3-13: Summary of Feedback - People with Lived Experience

Key Outcomes	Participant Suggestions
Customer at the Centre: Meeting the housing needs of customers and community to support life opportunity.	Lived Experience Workers
	Longer term support to rebuild an individual's life
	Culturally responsive services
Effective and Efficient Industry: High performing sector and industry that delivers good customer outcomes.	Outcomes-based funding
	Sharing data and interconnecting service system
Matching the Right Supply with Demand: A well-functioning and resilient housing market that supports housing choice and supply.	Matching Supply with Demand
	Culturally responsive housing options
Targeted Support: Consistent framework across different housing providers	Holistic support across services and systems

3.5.3.2 Our Housing Future 2020-2030

In December 2019, SA Housing Authority published *Our Housing Future 2020-2030,* which recognised that people with lived experience who are uniquely equipped to recommend service improvements can play a much greater role in service design and delivery. Noting this, *Action 3.5* commits to the improvement of service delivery by incorporating lived experience, per Table 3-14.

Table 3-14: Core Action Addressing Lived Experience - Our Housing Future 2020-2030

Action	Description	
3.5	**Action:**	Improving service delivery by incorporating lived experience**:** Enable continuous improvement and improved service responsiveness *by embedding lived experience in the design and delivery of housing services.*
	Led by:	Housing and homelessness service providers
	Timeframe:	Short-term

It is acknowledged that SA Housing Authority's intent to incorporate lived experience per *Action 3.5* is still '**In Progress – no perceived risk of delay**', per Table 3-15.

Table 3-15: Progress Against Actions Addressing Lived Experience - Our Housing Future 2020-2030

Action	Description	Overall Rating
3.5	Improving service delivery by incorporating lived experience.	◔

The rating was determined from the data provided by SA Housing Authority through consultations and within *SA Housing Authority's progress reports*. It was observed that during the review period, SA Housing Authority had commenced two initiatives which contributed to SA Housing Authority's rating, including:

- The Housing Advice Advocacy and Engagement Service described to have commenced on 1 October 2020, branded 'Rent Right SA'. The key aspects of this service are to incorporate lived experience component that helps inform and improve services provided to clients.

- Feedback provided by participants of the Lived Experience Workshops informed the *Future Directions for Homelessness* paper.

Noting the broad nature of language within Action 3.5, key initiatives pertaining to lived experience within the *Business Plan 2020-21* were also considered to understand the SA Housing Authority's broader commitments to incorporating lived experience.

Deliverables within the *business plan* relating to lived experience describe the SA Housing Authority's intent to embed workforce cultural lived experience, equality and respect practices across the organisation. These actions are generally dedicated to creating a culture of collaboration, inclusivity and diversity within SA Housing Authority (SA Housing Authority, 2020).

While majority of these deliverables were understood to be '**Delayed**' in FY 2020-21, it is acknowledged that this may not necessarily pertain to a delayed completion. SA Housing Authority provided commentary to support its intent to accelerate programs to achieve their long-term target, noting that deliverables are anticipated to resume in FY 2021-22, per Table 3-16.

Table 3-16: Progress Against Actions Addressing Lived Experience - SA Housing Authority Business Plan 2020-21

Action	Description	Observation	Rating
1.2.3	Embed workforce cultural lived experience, quality and respect practices across the organisation	Based on the ratings and commentary provided for subsequent actions, SA Housing Authority's progress against incorporating lived experience has been delayed. Outstanding actions were acknowledged by SA Housing Authority to commence into FY 2021-22.	◔ (red)
1.2.3.1	Increased employment of people from Aboriginal and other culturally diverse backgrounds.	SA Housing Authority provided commentary which describes this action to have introduced a Key Result Indicator (KRI) to ensure continued achievement of workforce representation of Aboriginal and Torres Strait Islander people meets, if not exceeds SA State Government targets. This action is ongoing.	◔ (green)

Action	Description	Observation	Rating
1.2.3.2	Mandatory training for staff working with people from culturally diverse backgrounds introduced.	As articulated in *SA Housing Authority's Progress Report*, training has not yet been developed. As a priority, work on an *Aboriginal Cultural Awareness Learning Framework* has commenced, with the 'culturally diverse backgrounds' learning solution anticipated to follow in early 2022. At the start of FY 2020-21 there were 46 Aboriginal people employed by SA Housing Authority, this was observed to decreased by 15.2% to 39 staff by 30 June 2021.	◔ (red)
1.2.3.3	Increase in Aboriginal capability across SA Housing Authority championed.	An anticipated launch of the RAP will take place on 9 August 2021 (aligning with the UN's International Day of the World's Indigenous People) and is considered in progress, pending final Executive level and SAHT Board approvals of the launch date. This will include dedicated Champions identified for respective areas throughout the RAP.	◔ (green)
1.2.3.4	Conduct a review of operational policies to ensure appropriate cultural awareness and inclusivity.	It was acknowledged that while over 50 operational policies were reviewed within the last several years (due to BST implementation) of the review period, there were no resources available to undertake a further review separate to the work being led by the *Aboriginal Housing Strategy*. SA Housing Authority noted this to commence as part of the Service Improvement initiative in August 2021.	◔ (red)
1.2.3.5	White Ribbon Accreditation and implementation of the Our Watch standards.	White Ribbon Accreditation has been achieved in April 2021. Implementation of Our Watch Standards to continue next financial year.	● (green)

Further assessment of SA Housing Authority's progress against these actions is provided in Appendix C.

3.5.3.3   Future Directions for Homelessness

The *Future Directions for Homelessness* paper also articulates lived experience in service planning and delivery as a key task of the Alliance System Steering Group. This is coupled with the intent to establish a new Housing Advice Advocacy and Engagement Service on 1 October 2020 that incorporates lived experience (SA Housing Authority, 2020).

It is also noted that *Respecting Lived Experience* and creating *Transparency and Accountability* through the incorporation of lived experience described in Table 3-17 were key principles underpinning the South Australian Homelessness reform.

Table 3-17: Key Principles Underpinning the South Australian Homelessness Reform

Key Sector Principle	Meaning
Respecting Lived Experience	An approach that incorporates the voice and perspectives of people with lived experience into all policy, practice and service decision-making.
Transparency and Accountability	The creation of transparency and accountability through the incorporation of lived experience voices, the development of best practice monitoring, evaluation and reporting practices and the adoption of a state-wide outcomes-based approach.

3.5.3.4   Stakeholder Consultations

A series of consultations were held with internal and external stakeholders, to understand how lived experience has been implemented within SA Housing Authority and how it has evolved over the Triennial Review window. Table 3-18 summarises the stakeholder's responses into three themes.

Table 3-18: Summary of Stakeholder Feedback - Incorporating Lived Experience

Theme	Observation
Defining Lived Experience	▪ At an individual level, stakeholders demonstrated understanding of incorporating lived experience. However, stakeholders were unable to provide a consistent definition with a universal definition recognised system wide to be further explored by SA Housing Authority.
Hierarchy of Lived Experience	▪ Authority stakeholders notably resonated with the Hierarchy of Lived Experience, as defined by the Australian National University, per Table 3-19 (ANU, 2020). ▪ Whilst stakeholders demonstrated considerable passion and an appetite for incorporating lived experience in alignment with the Tier 1 definition, stakeholders mutually agreed that SA Housing Authority are currently operating at a Tier 4 level (i.e. people with lived experience co-designing policies and strategies).
Implementation of Lived Experience	▪ Stakeholders recognised the incorporation of lived experience within SA Housing Authority (at a Tier 4 level) through embedding feedback received from various consultations, including the TACSI-led Lived Experience Workshops into *Our Housing Future 2020-2030* and the *Aboriginal Housing Strategy.* ▪ In particular, stakeholders acknowledged that evidence of incorporating lived experience is directly aligned to *Pillar 1* within the *Aboriginal Housing Strategy*, which is centred around incorporating the voices of Aboriginal customers in decision-making. Furthermore, the *Aboriginal Housing Strategy* acknowledged that the Strategy has been created in consultation with Aboriginal people and communities based upon the interest, knowledge, lived experience and solutions shared by them (SA Housing Authority, 2021). ▪ Stakeholders noted two potential methods to measure success when considering the incorporation of lived experience, including: ▪ **Method 1, Academic-based**: Facilitated workshop to understand peoples' experiences of housing and homelessness in which is used to inform decision-making at a policy and strategy level.

Theme	Observation
	▪ **Method 2, Non-academic**: Review of data such as customer complaints to identify areas for improvement and prompt decision-making at an organisational level.

In the absence of a universally defined term regarding lived experience as a system-wide level, stakeholders resonated with the Hierarchy of Lived Experience, as defined by the Australian National University outlined below.

Table 3-19: Hierarchy of Lived Experience

Tiers	Level	Description
Tier 1	Individual level	People with lived experience have shared decision making.
Tier 2	Service/Program level	People with lived experience co-design services and programs.
Tier 3	Organisational level	People with Lived experience leading advisory groups/representatives in working groups.
Tier 4	Policy/Strategy level	People with lived experience co-design policies and strategies.

Whilst stakeholders demonstrated great passion and an appetite for incorporating lived experience in alignment with the Tier 1 definition, stakeholders mutually agreed that SA Housing Authority are currently operating at a Tier 4 level (i.e. people with lived experience co-designing policies and strategies).

3.6 Greater Cultural Integrity for Aboriginal People

Term of Reference	
S1b	How has SA Housing Authority performed against the State Housing and Homelessness Strategy: Our Housing Future? ▪ What progress has been made in greater cultural integrity for Aboriginal people?

3.6.1 Overview

SA Housing Authority's progress in achieving greater cultural integrity, specifically against its commitments within the *Our Housing Future 2020-2030* found that:

- **Universally Defining 'Cultural Integrity'**: There is a need for a universal definition of 'cultural integrity' to be established system-wide, to ensure that a consistent and integrated approach can be applied to the housing and homelessness system. This includes consistency between SA Housing Authority and its partners, which include government organisations, non-government organisations and the private sector, noting that the successful implementation of *Our Housing Future 2020-2030* requires this entire network to come together and deliver against committed actions.

- **Delivery of Aboriginal Housing Strategy**: SA Housing Authority successfully delivered against its commitment of releasing an *Aboriginal Housing Strategy* within the review period along with a number of parallel commitments across annual business plans. SA Housing Authority also continues to progress several of these actions proportionate to its maturity along the transformation timeline.

- **"A step in the right direction"**: Consultations indicated that the development of the *Aboriginal Housing Strategy* amongst other initiatives within the review period was a step in the right direction for SA Housing Authority. This connotation was sharply grounded with the importance of ensuring that the implementation of the strategy was diligently supported and enabled to come to life.

- **Operational Linkages between SA Housing Authority and the Aboriginal Community**: Opportunities to strengthen operational linkages between SA Housing Authority and Aboriginal communities were identified during consultations and are recommended to be further explored. Feedback emphasised the requirement for greater clarity in the appropriate forum, tools or resources available for Aboriginal customers to escalate their unique housing related needs. This was considered to assist with better identifying and responding to key themes raised by the Aboriginal Community by members of AAC.

- **Evolving Role of the Aboriginal Advisory Committee**: It was acknowledged that the role of the AAC had evolved across the duration of the *Aboriginal Housing Strategy* being developed and released, with clarity required around the requirements to best support its implementation. At the time of consultations, it was understood that the committee members roles were also utilised to advocate for Aboriginal customers.

- **Tailoring Services to Unique Needs**: Several examples of opportunities for SA Housing Authority to better tailor services to the unique needs of the Aboriginal community were shared across stakeholder consultations (i.e. tailored affordable home ownership) and should be further explored.

3.6.2 Understanding Cultural Integrity

Through stakeholder consultations, it was understood that the term 'cultural integrity' had different connotations to varying stakeholders within SA Housing Authority and broader sector. Furthermore, it was observed that reference to cultural integrity had been made across a number of documents published by SA Housing Authority. Noting the above, for the purpose of this assessment, cultural integrity has been defined as:

> *Shared decision making and culturally informed services, to maintain Aboriginal peoples' personal and cultural wellbeing.*

> *Source: (SA Housing Authority, 2021)*

This definition was acknowledged to best represent SA Housing Authority's current definition and is based on the *Aboriginal Housing Strategy's* statement as to how it will achieve its vision that Aboriginal peoples within South Australia have equitable access to safe, secure, and affordable homes. However, it was recognised that there is a need for a universal definition to be established system-wide, to ensure that a consistent and integrated approach can be applied to the housing and homelessness system holistically. This includes consistency between SA Housing Authority and its partners, such as government organisations, non-government organisations and the private sector, noting that the successful implementation of *Our Housing Future 2020-2030* requires this entire network to come together and deliver against committed actions.

Further to the above, critical to cultural integrity for Aboriginal and Torres Strait Islander peoples is self-determination. The Australian Human Rights Commission acknowledges the particular application self-determination has to Aboriginal and Torres Strait Islander peoples as Australia's first peoples, describing self-determination as:

> *An ongoing process of choice to ensure that Indigenous communities are able to meet their social, cultural and economic needs, and is not about creating a separate Indigenous 'state'. The right to self-determination is based on the simple acknowledgement that Indigenous peoples are Australia's first people and the loss of this right to live according to a set of common values and believes and have the right respected by others, is at the heart of the current disadvantage experienced by Indigenous Australians.*

> *Source: (Australian Human Rights Commission, 2021)*

It should be noted that without self-determination it is not possible for Indigenous Australia's to fully overcome the legacy of colonisation and dispossession, linked to their housing experience (Australian Human Rights Commission, 2021).

3.6.3 Strategic Intent

In May 2019, the SAHT Board appointed an Aboriginal Advisory Committee (AAC) to provide specialist advice to the Board on improving housing outcomes for Aboriginal people across the state.

This included helping shape SA Housing Authority's Housing and Homelessness Strategy (*Our Housing Future 2020-2030*) and advising the Board on the development of an *Aboriginal Housing Strategy*.

In December 2019, SA Housing Authority published *Our Housing Future 2020-2030,* which specifically expressed the need for a tailored and separate strategy for Aboriginal people, through the implementation of *Action 3.8*. *Action 3.8* commits to the development of an *Aboriginal Housing Strategy* and is seen as the core action to pursue greater cultural integrity, per Table 3-20.

Table 3-20: Core action Addressing Cultural Integrity - Our Housing Future 2020-2030

Action	Description	
3.8	**Action:**	Addressing the particular disadvantages faced by Aboriginal South Australians through the delivery of an *Aboriginal Housing Strategy*.
		Develop the *Aboriginal Housing Strategy* in collaboration with Aboriginal communities around the state, looking at the full housing continuum: from crisis services and social housing to affordable housing options and home ownership.
	Led by:	SA Housing Authority and Aboriginal Advisory Committee
	Timeframe:	Short-term

The South Australian Government *Aboriginal Affairs Action Plan 2019*-2020 also committed the Government to developing a specific *Aboriginal Housing Strategy* to enable a tailored approach specific to the housing needs of Aboriginal people that includes home ownership, affordable housing and social housing.

Noting the above commitments, SA Housing Authority published the *South Australian Aboriginal Housing Strategy 2021–2031* (*Aboriginal Housing* Strategy) in May 2021. Development of this 10-year plan to improve housing outcomes for all Aboriginal South Australians was informed through extensive engagement with Aboriginal and Torres Strait Islander people and communities state-wide. Outcomes of these consultations highlighted the need for existing services to be culturally responsible and flexible, and to better meet the needs of Aboriginal communities. Consequently, the *Aboriginal Housing Strategy* identifies a number of actions and reflects SA Housing Authority's 10 year vision to work in genuine partnership with Aboriginal communities to build a strong Aboriginal community housing sector providing self-determined, culturally informed and responsive housing (SA Housing Authority, 2021).

It is acknowledged that the implementation of the *Aboriginal Housing Strategy* commenced in July 2021, which falls outside of this Triennial Review window. Therefore, progress against implementation of this strategy will not be addressed in response to this Term of Reference. Instead, an assessment of actions identified within *Our Housing Future 2020-2030* and *2017-18* to *2020-21 Business Plans* will be made to understand SA Housing Authority's progress against greater cultural integrity over the Triennial Review window. Outcomes of consultations with members of the AAC will also qualitatively inform this assessment.

3.6.4   Progress Achieved against Commitments

3.6.4.1   Our Housing Future

Table 3-21 provides a summary of SA Housing Authority's progress against core actions with *Our Housing Future 2020-2030* relating to cultural integrity, based on the traffic light ratings identified in Table 3-4.

As indicated in Section 3.3.2, *Action 3.8* was '**Completed**', demonstrated through the release of the *South Australian Aboriginal Housing Strategy 2021-2031* (*Aboriginal Housing Strategy*) in May 2021.

Table 3-21: Overview of SA Housing Authority's progress - Achieving Greater Cultural Integrity

Action	Description	Rating
3.8	Addressing the particular disadvantages faced by Aboriginal South Australians through the delivery of an *Aboriginal Housing Strategy*.	🟢

3.6.4.2   2017-18 to 2020-21 Business Plans

In parallel to the assessment made against *Our Housing Future 2020-2030*, an assessment of SA Housing Authority's progress against actions pertaining to cultural integrity within SA Housing Authority's available business plans over this Triennial Review window was also conducted.

The following tables summarise the progress against actions within the 2017-18 (Table 3-22), 2018-19 (Table 3-23) and 2020-21 (Table 3-24) *Business Plans*. It is acknowledged that SA Housing Authority did not have a business plan in place for FY 2019-20.

Table 3-22: Progress Against Actions for Achieving Greater Cultural Integrity - 2017-18 Business Plan

Action	Description	Rating
C4 – Provide opportunity for participation		
C4.4	Commence construction of a purpose-built residential facility for young Aboriginal people engaged in post-secondary education.	🟢
S1 – Fostering partnerships to strengthen local communities		
S1.1	Implement a Transition Strategy for Aboriginal Communities and homelands yet to enter into reform arrangements under NPARH.	🟢
S1.6	Complete the capital works and upgrades to properties in remote Aboriginal Communities funded through the National Partnership on Remote Housing.	🟢
O1 – Adopts a customer-centred approach in our operations		
O1.2	Engage Aboriginal community groups and key stakeholders to develop a strategy to improve housing outcomes for Aboriginal people.	🟢

STRATEGY

Table 3-23: Progress Against Actions for Achieving Greater Cultural Integrity - 2018-19 Business Plan

Action	Description	Rating
5 – Embedding Aboriginal governance and operations		
5.1	Establish SAHT Board Aboriginal Advisory Committee.	🟢
5.2	Develop the governance and engagement tactics required to commence the development of an Aboriginal Housing Strategy.	🟢
5.3	Continue funding negotiations with the Commonwealth Government for remote Aboriginal communities.	🟢

Table 3-24: Progress Against Actions for Achieving Greater Cultural Integrity - 2020-21 Business Plan

Action	Description	Rating
1.2 – A Culture of collaboration, inclusivity and diversity is supported and rewarded		
1.2.1 – Address the specific needs of Aboriginal People		
1.2.1.1	Delivery of the *Aboriginal Housing Strategy*.	🟢
1.2.1.2	Development of regional/remote housing plans supporting '*Our Housing Future 2020-2030'*.	🟢 half
1.2.1.3	Replacement Housing Project delivered, with 3 of 35 replacement houses in remote communities, including procurement and construction	🟡 half
1.2.1.4	Planned maintenance program for remote housing delivered.	🟢
1.2.1.5	Achieving our commitments under the Buthera agreement.	🟢
1.2.1.6	Tika Tirka implemented accommodating 20 students.	🟢
1.2.1.7	Long-term operational model for Tika Tirka developed and procured.	🟢
1.2.2 – Establish SA Housing Authority's own Reconciliation Action Plan (RAP)		
1.2.2.1	RAP strategy finalised and communicated, engagement on key reforms underway.	🟢

Action	Description	Rating
1.2.3 – Embed workforce cultural lived experience, equality and respect practices across the organisation		
1.2.3.1	Increased employment of people from Aboriginal and other culturally diverse backgrounds.	🟢
1.2.3.2	Mandatory training for staff working with people from culturally diverse backgrounds introduced.	🔴
1.2.3.3	Increase in Aboriginal capability across SA Housing Authority championed.	🟢
1.2.3.4	Conduct a review of operational policies to ensure appropriate cultural awareness and inclusivity.	🔴
1.2.3.5	White Ribbon Accreditation and implementation of the *Our Watch* standards.	🟢

Noting the above, it is acknowledged that SA Housing Authority has successfully delivered all actions outlined within the *2017-18 Business Plan* and *2018-19 Business Plan*. Progress has been demonstrated with regards to development against actions within the *2020-21 Business Plan*, with actions recognised to be largely '**Complete**' or '**In Progress – no perceived risk of delay**'. Only a few actions have been described as 'At risk of delay' or 'Delayed'. It is noted that the number of actions pertaining to cultural integrity had increased significantly in the *2020-21 Business Plan*.

3.6.4.3 Stakeholder Consultations

In addition to SA Housing Authority's progress against specific actions within relevant documentation, five consultations were undertaken with members of the AAC, to qualitatively understand their perception of SA Housing Authority's progress against greater cultural integrity.

While committee members emphasised that they are not experts in cultural integrity, they were asked to provide a response in relation to a series of focused questions, with Table 3-25 presenting a summary of feedback received.

Table 3-25: Summary of Stakeholder Feedback - Achieving Greater Cultural Integrity

Themes	Observations
Aboriginal Housing Strategy	▪ Members of the AAC noted that feedback received from Aboriginal and Torres Strait Islander Communities regarding development of the *Aboriginal Housing Strategy* was generally positive. ▪ It was noted that the level of community consultation during development of the Strategy was relatively well received, including representation from local and regional communities.

Themes	Observations
Role of the Aboriginal Advisory Committee (AAC)	▪ It is understood that there has been no formal forum for Aboriginal representation in housing between the amalgamation of the former Aboriginal Housing Authority into Housing SA in 2007, and the establishment of the AAC in 2019. ▪ Noting the publication of the *Aboriginal Housing Strategy* in May 2021, the AAC noted the evolution of its role from providing strategic input to an advocacy-based role, representing the interest of Aboriginal South Australians. However, at the time of the consultations it was acknowledged that clarity was required in the definition of the AAC's role beyond this. ▪ The formal structure of AAC meetings (e.g. agenda, attendees) also presented an opportunity for improvement.
Linkages between SA Housing Authority and the Aboriginal Community	▪ While it was recognised that SA Housing Authority engaged with both local and regional communities to inform the development of the *Aboriginal Housing Strategy*, the AAC stakeholders strongly expressed the importance of maintaining this engagement throughout its implementation. ▪ The current operational linkages between SA Housing Authority and the Aboriginal Community were noted as a key opportunity for improvement linking to perceived responsibility of advocacy within roles of the AAC members. ▪ Feedback emphasised the requirement for greater clarity in the appropriate forum, tools or resources available for Aboriginal customers to escalate their housing related needs to assist with this. This was also considered able to assist with better identifying and responding the key themes raised by the Aboriginal Community.
Tailorisation of Services	▪ Members of the AAC often articulated the importance of tailored services to the unique needs of Aboriginal customers. ▪ Several examples were shared where housing and services could be better tailored to the unique needs of Aboriginal customers, including opportunities to better enable access to affordable housing. ▪ A shift in language referring to Aboriginal 'interests', from Aboriginal 'issues' was noted within the Triennial period, positively contributing to SA Housing Authority's commitment to this feedback.
Sharing 'good news' stories	▪ In extension of feedback that SA Housing Authority is 'heading in the right direction' regarding cultural integrity, members of the AAC expressed there was opportunity for increased circulation of "good news" stories between SA Housing Authority and the Aboriginal community to build upon its growing relationship.

3.7 Affordable Home Ownership

Term of Reference	
S2	What contribution does SA Housing Authority provide in supporting affordable home ownership?

3.7.1 Overview

An assessment of SA Housing Authority's progress in its commitment to supporting affordable home ownership, specifically against its commitments within the *Our Housing Future 2020-2030* found that:

▪ **Housing affordability in Australia is decreasing**: There has been a rapid rise in property prices observed over the Triennial Review window in both the home ownership and private rental markets.

▪ **Definition of housing affordability stress**: As stated by the Australian Institute of Health and Welfare (AIHW), housing affordability stress is defined as "lower income households that spend more than 30% of gross income on housing costs". Housing affordability stress can be considered with respect to:

  – Rental affordability stress: Households paying more than 30% of their income on rental payments.

  – Mortgage affordability stress: Households paying more than 30% of income for mortgage repayments.

Affordable housing solutions prevent and/or help people move out of housing affordability stress.

"Extreme" rental affordability stress is defined as "rental households spending greater than 50% of gross income on housing costs".

▪ **Contribution of 20,000 affordable housing solutions**: As per AHURI's Report Audit of South Australia's current housing assets and mapping of future demand, 45,000 South Australian households were experiencing low-income rental affordability stress in 2016, of which 19,000 were paying more than 50 per cent of income on private rental costs.

SA Housing Authority's commitments to affordable housing have been guided by the estimated number of South Australian households experiencing "extreme" rental affordability stress. More specifically, SA Housing Authority and its partners have committed to providing 20,000 affordable housing solutions by 2030 within Strategy 2 of Our Housing Future 2020-2030.

▪ **Limitations in Contribution**: Noting the above commitments, there are several limitations in SA Housing Authority and its partners' contribution in supporting affordable home ownership, including:

  – The commitment addresses the number of households experiencing "extreme" rental affordability stress as opposed to the full magnitude of households experiencing rental affordability stress generally.

  – Commitments have been based on a point in time assessment, hence there is a need to continually monitor housing affordability in South Australia and establish mechanisms in which to review and update targets based on market conditions, supply and demand.

3.7.2   What is Affordable Housing?

Access to good quality, affordable housing is fundamental to the health and wellbeing of South Australians. It can help reduce poverty and enhance equality of opportunity, social inclusion and mobility (AIHW, 2021).

The concept of "housing affordability" is complex, in part reflecting the complexity of the housing market and the diverse experiences of people in accessing and maintaining housing. "Housing affordability" can be influenced by a number of factors including, but not limited to:

- The price of housing.
- The financial capacity of households.
- The ability of households to access credit.
- The cost of that credit.

- Income security and income volatility.
- The supply, accessibility and location of suitable housing stock and rental accommodation.
- The interaction between these factors

Source: (Department of Social Services, 2015).

While several approaches can be adopted to measure "affordability" the term "housing affordability" typically refers to the relationship between housing costs (the sum of rent payments, rate payments and housing-related loan payments) and household income (AIHW, 2021). Housing affordability stress is a measure of housing affordability where the proportion of household income spent on housing costs is calculated.

As stated by the Australian Institute of Health and Welfare (AIHW), housing affordability stress is defined as:

"Lower-income households that spend more than 30% of gross income on housing costs"

Source: (AIHW, 2021)

Where a lower-income household is defined as:

"Households containing the 38% of people with equivalised disposable household income between the third and 40th percentiles"

Source: (AIHW, 2021)

This is also often referred to as the "30/40 rule", per AIHW.

Consequently, a household is defined as being in housing affordability stress if it is both a low-income household <u>and</u> is spending more than 30% of its gross income on direct housing costs. Further, it is acknowledged that housing affordability stress can be considered with respect to:

- Rental affordability stress: Households paying more than 30% of their income on rental payments.
- Mortgage affordability stress: Households paying more than 30% of income for mortgage repayments.

Based on this definition, it is noted that the number of low-income households is purely a function of population size and those households experiencing housing affordability stress encapsulate a proportion of this.

The overarching objective for affordable housing solutions and initiatives is to decrease the portion of the population that fall under housing affordability stress. Assistance to customers that fall under housing affordability stress can come in many different forms of housing solutions. With respect to assistance provided by SA Housing Authority, this includes but is not limited to:

- The construction of new dwellings within the affordable housing market to provide options with decreased housing costs for customers. It is acknowledged that in South Australia, a dwelling is considered to be an affordable home if it is:
  - Offered for sale to eligible buyers.
  - Offered for home ownership and is for sale at or below the appropriate price point.
  - Priced at $367,000 or less (if key criteria are met as per the government gazette, the price can be up to $422,050) (Government of South Australia, 2021).

- Ensuring affordable housing options are accessible for a larger portion of the population by strengthening assessment processes, inclusionary zoning and housing policies.

- Providing customers with financial loans to assist with the upfront costs of purchasing a home and enabling them to break into the ownership market.

- Providing shared equity assistance initiatives allowing eligible buyers to buy a home at a price less than the home's market value by reducing the amount that the purchased needs to borrow from their finance institution (Government of South Australia, 2019).

More specifically and as described in Section 2.2.1.3, it is acknowledged that SA Housing Authority contributes to affordable home ownership through a number of programs, including:

- Management of the 15% Affordable Housing Policy.
- Management of the HomeSeeker SA Program.
- Delivery of shared equity schemes through its partners, such as HomeStart Finance.

The local government and community sector also have a role to play in the provision of affordable housing. The role of the local government is to regulate statutory planning, development processes, building approvals, rates and charges and land use planning. As per Action 1.4 within *Our Housing Future 2020-2030*, the local government are currently developing local/regional plans to respond to specific conditions and local demand. For some councils, this also includes consideration into the use of significant land holdings for affordable housing or other residential development.

3.7.3   National Context

Housing affordability appears to be decreasing nationwide with a rapid rise in property prices observed over the Triennial Review window in both the home ownership and private rental markets. The mean price of residential dwellings in capital cities nationwide rose from $678,800 in June 2017 to $835,700, representing an increase of approximately 23% (ABS Data, 2021). Similarly, based on data published by SQM Research, mean weekly residential rental costs in capital cities nationwide have also increased, rising from $426 per week in June 2017 to $511 per week in June 2021, an increase of approximately 20% (SQM Research, 2022). At the same time, residential vacancy rates also appear to have generally declined from 2.5% in June 2017 to 1.7% in June 2021 (SQM Research, 2022). Where vacancy rate is defined as:

> *"% of overall rental properties that are 'listings that have been advertised for 3+ weeks (and are still currently advertised as at the time of collation)"*

<div align="right">

Source: (SQM Research, 2022)

</div>

Noting the trend of increasing housing costs and declining vacancy rates, Figure 3-4 considers the cumulative percentage change in residential property price (weighted average of eight capital cities), capital city residential rental price and average weekly earnings/wages, in Australia, from June 2017 to June 2021.
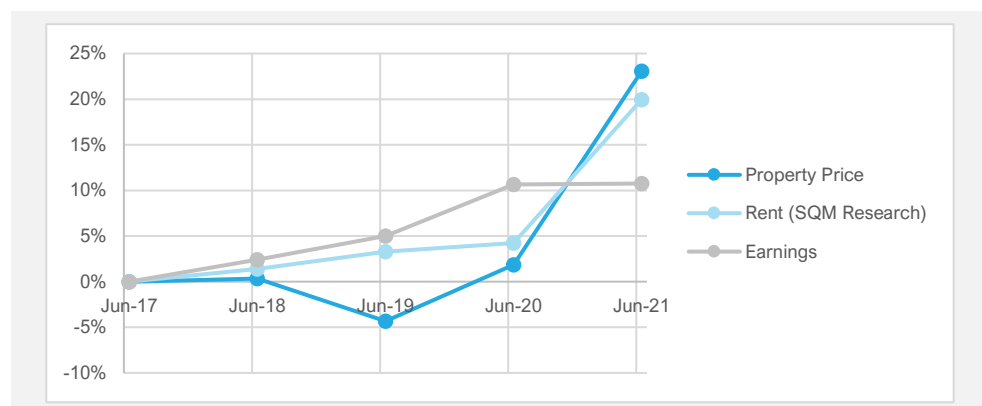
**Figure 3-4: National Property Price, Rent and Earnings Trends across the Review Period**

Sources: (ABS Data, Residential Property Price Indexes: Eight Capital Cities, 2021), (SQM Research, Weekly Rents National, 2021), (ABS Data, Average Weekly Earnings, Australia, 2021)

As presented in Figure 3-4, it appears that the average weekly earnings and rent of Australians gradually increased over the Triennial Review window. While property prices fluctuated, there was a rapid rise in property prices from June 2020 to June 2021, with the cumulative percentage increase in prices exceeding the increase in the nation's average weekly earnings. In a similar manner, the average weekly rental prices experienced a steep increase from June 2020 to June 2021, also exceeding the cumulative percentage increase in the nation's average weekly earnings in the same financial year. This disproportionate increase in property and rental prices in comparison to the increase in the nation's earnings coincides with the onset of the COVID-19 pandemic, challenging housing affordability.

It is acknowledged that a number of factors which drive the short term and long-term prices of residential property have been impacted by COVID-19, including population growth. In recent years, overseas migration to Australia has been the largest contributor to population growth however, the introduction of international travel restrictions and quarantine arrangements has seen a reduction in overseas migration. In fact, the *2021 Population Statement* published by the Centre for Population revealed that Australia experienced its first net overseas migration loss since just after World War II. With overseas migration only forecast to return to pre-COVID-19 trends from FY 2024-25 onwards, Australia is anticipated to experience a reduction in population growth when compared to previous forecasts (Australian Government, Centre for Population, 2021). While reduced population growth would be expected to reduce immediate demand pressures for accommodation, it appears that government policy responses such as support to the residential construction sector through the HomeBuilder program and the adoption of monetary policies have alleviated uncertainty regarding the direct and indirect impacts of COVID-19 on the property market (KPMG Economics, 2021).

As such, government policy responses coupled with the material decline in mortgage interest rates, appears to have contributed to the increase in residential property prices (KPMG Economics, 2021).

Noting the above trends, in FY 2017-18, approximately 1 million households across the nation were classified as being in housing affordability stress, highlighting its prevalence within Australia prior to the COVID-19 pandemic (ABS Data, Housing Occupancy and Costs, Table 5.2, 2019). Amongst this, approximately 1.48 million comprised of low-income renter households. Figure 3-5 below provides a point in time snapshot of national low-income household statistics in consideration of the general population, in FY 2017-18. It is noted FY 2017-18 data represents the most recent statistics as it relates to the general population at time the time of writing, as published as part of the ABS Housing Occupancy and Costs series.
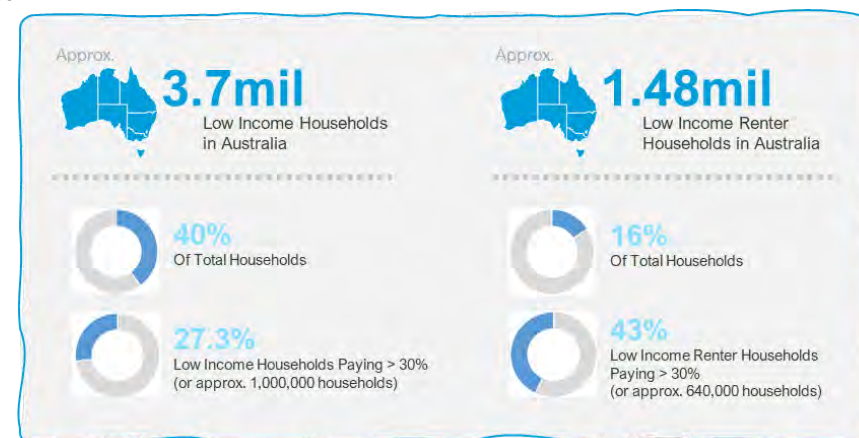

Figure 3-5: National Low-Income Households Snapshot FY 2017-18

Source: (ABS Data, Housing Occupancy and Costs, various tables, 2019)

Impacts due to COVID-19 and the rising property prices on the number of low-income households is likely to be understood with the next release of the Survey of Income and Housing.

Figure 3-6 presents a summary of low-income households residing in social housing nationwide.
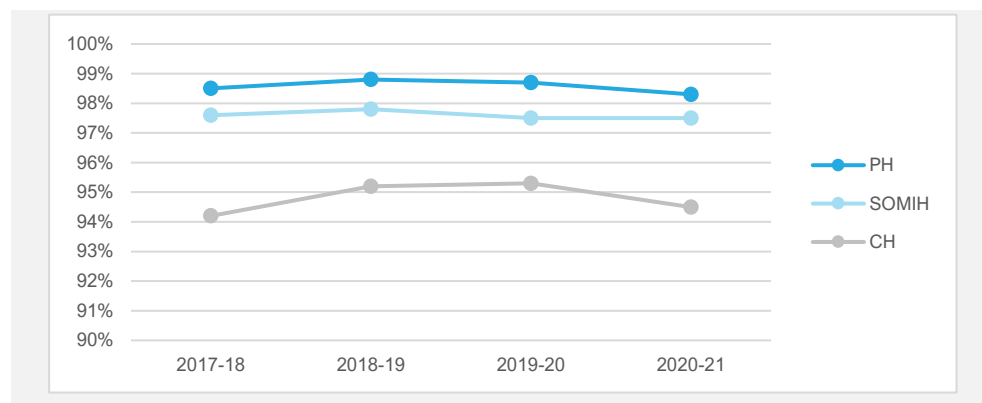

Figure 3-6: Proportion of Low-Income Households Residing in Social Housing in Australia
Source: (RoGS, Productivity Commission, 2022)

From Figure 3-6, it is apparent that the proportion of low-income households residing in social housing in Australia has remained relatively constant over the Triennial Review window, all exceeding 90%. It is noted that no data was captured for Indigenous Community Housing.

With respect to low-income households receiving Commonwealth Rent Assistance nationwide, Figure 3-7 presents a summary of CRA income units paying more than 30% of income on rent including CRA and excluding CRA. There appeared to be a notable drop in proportion in FY 2019-20 which coincides with additional government income provided during the start of the COVID-19 pandemic.
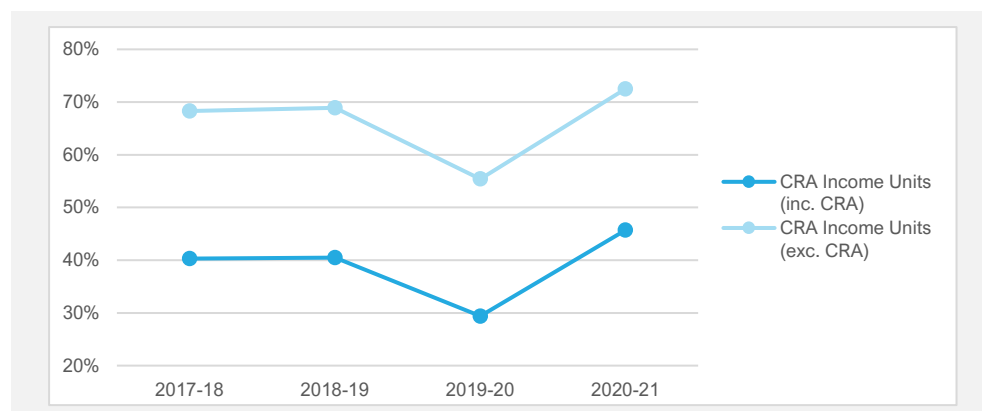
Figure 3-7: Proportion of CRA Income Units Paying more than 30% of Income on Rent in Australia
*Source: (RoGS, Productivity Commission, 2022)*

3.7.4   State Context

In line with national trends, housing affordability in South Australia is also decreasing, with a rapid rise in property prices observed over the Triennial Review window in both the home ownership and private rental markets. From 30 June 2017 to 30 June 2021, the median sale price of houses in metropolitan Adelaide increased from $452,000 to $540,000, reflecting an increase of approximately 19%. In a similar manner, the median sale price of houses in non-metropolitan has also increased from $264,500 to $280,000 over the same period, reflecting an increase of approximately 6% (Government of South Australia, 2022).

The median weekly residential rental price also demonstrated increases of the order of 15%. From 30 June 2017 to 30 June 2021, the median weekly residential rental price in metropolitan Adelaide increased from $320 per week to $370 per week, reflecting an increase of 16%. The median weekly residential rental across the rest of the state increased from $250 to $285 per week, reflecting a 14% increase (Data SA, 2022). At the same time, residential vacancy rates are generally lower than the national figures and appear to have declined from 1.8% in June 2017 to 0.6% in June 2021 (SQM Research, 2022).

Noting the trend of increasing housing costs and declining vacancy rates, Figure 3-8 considers the cumulative percentage change in residential property price and residential rental price in Adelaide, compared to weekly earnings/wages in South Australia, from June 2017 to June 2021. Two data sets have been modelled with respect to the cumulative rental price, including SQM Research to provide a consistent comparison to national data. Median private rent in metropolitan Adelaide, as captured by Data SA in consideration of bonds lodged with Consumer and Business Services has also been modelled, reporting a cumulative percentage increase approximately 3.1% lower than that captured by SQM.
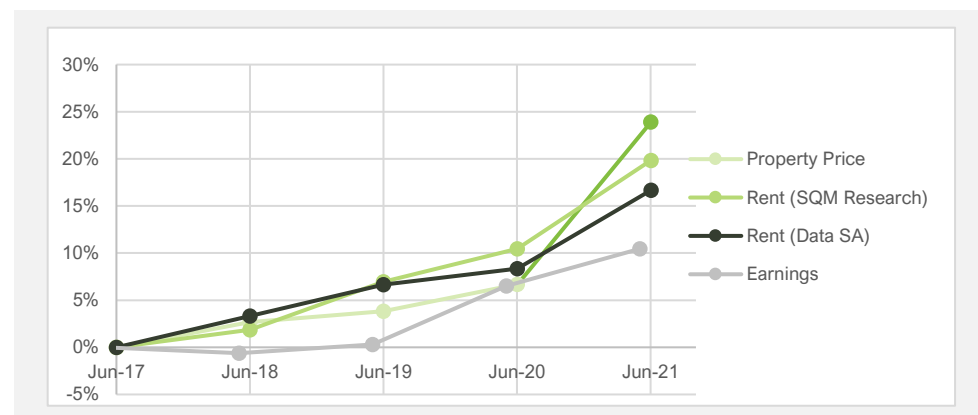
Figure 3-8: South Australia's Property Price, Rent and Earning Trends across the Review Period
Sources: (ABS Data, Residential Property Price Indexes: Eight Capital Cities, 2021) (SQM Research, Weekly Rents Adelaide, 2021), (Data SA, 2022), (ABS Data, Average Weekly Earnings, Australia, 2021)

As presented in Figure 3-8, it appears that all indicators generally increased over the Triennial Review window. In alignment with national observations, there was a rapid rise in property prices and residential rental prices from June 2020 to June 2021, with the cumulative percentage increase in property prices exceeding the increase in the nation's average weekly earnings. This disproportionate increase in

property and rental prices in comparison to the increase in the state's weekly earnings coincides with the onset of the COVID-19 pandemic, challenging housing affordability. The impact of COVID-19 on housing affordability discussed within Section 3.7.3 as it relates nationwide, also applies to South Australia.

In comparison to other states and the ACT, an analysis completed by SGS Economics and Planning found that South Australia fell from having the 4th to the 2nd least affordable rent within the review period (SGS Economics & Planning, 2021). Despite this, it is acknowledged that the State Parliament endorsed a number of initiatives aimed at assisting landlords and tenants whose incomes were affected including:

- The institution of a short-term moratorium on eviction for non-payment of rent due to severe rental stress as a result of COVID-19.
- Preventing landlords from increasing rent, where the tenant is suffering financial hardship due to COVID-19.
- Extension of the tenant's ability to arrange to have repairs carried out by agreement with the landlord.
- Provision of a general protection for tenants who breach their agreement (Government of South Australia, Attorney-General's Department, 2020)

Noting the above trends, in FY 2017-18, approximately 313,000 households across South Australia were classified as being in housing affordability stress, highlighting its prevalence prior to COVID-19 pandemic (ABS Data, Housing Occupancy and Costs, Table 5.2, 2019). Amongst this, approximately 122,000 comprised of low-income renter households. Figure 3-9 below provides a point in time snapshot of South Australian low-income household statistics in consideration of the general population in FY 2017-18. It is noted FY 2017-18 data represents the most recent statistics as it relates to the general population at time the time of writing, as published as part of the ABS Housing Occupancy and Costs series.

Figure 3-9: South Australian Low-Income Households Snapshot FY 2017-18

*Sources: (ABS Data, Housing Occupancy and Costs, various tables, 2019), * Data SA Households in 30% Housing affordability stress (South Australian Government Data Directory, 2019)*

Impacts due to COVID-19 and the rising property prices on the number of low-income households at a state level is likely to be understood with the next release of the Survey of Income and Housing.

Figure 3-10 presents a summary of low-income households residing in social housing in South Australia.
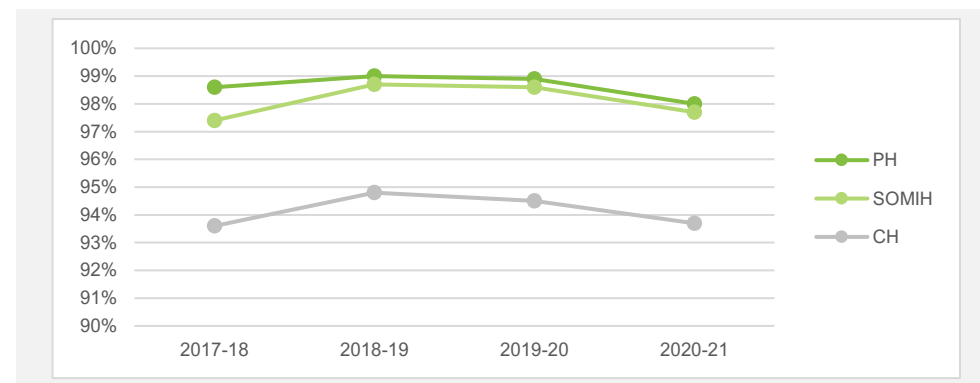
Figure 3-10: Proportion of Low-Income Households Residing in Social Housing in Australia

Source: (RoGS, Productivity Commission, 2022)

From Figure 3-10, it is apparent that the proportion of low-income households residing in social housing has remained relatively constant over the Triennial Review window, all exceeding 90%. It is noted that no data was captured for Indigenous Community Housing.

With respect to low-income households receiving Commonwealth Rent Assistance in South Australia, Figure 3-11 presents a summary of CRA income units paying more than 30% of income on rent including CRA and excluding CRA. There appeared to be a notable drop in proportion in FY 2019-20 which coincides with additional government income provided during the start of the COVID-19 pandemic.
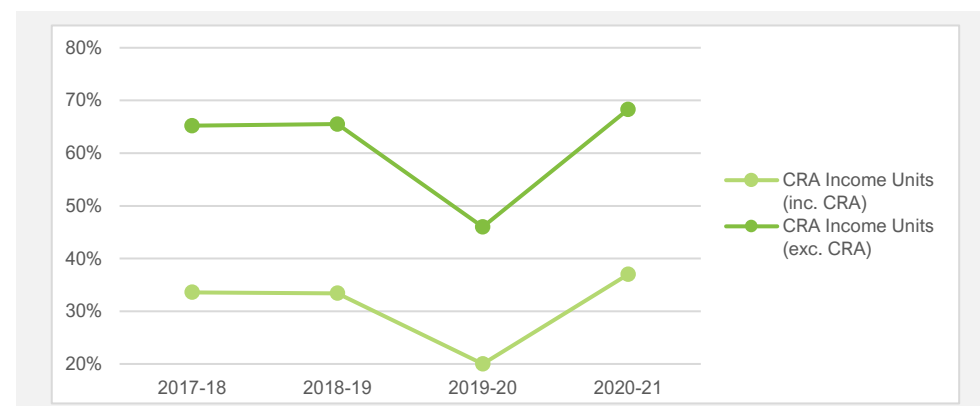
Figure 3-11: Proportion of CRA Income Units Paying more than 30% of Income on Rent in SA

Source: (RoGS, Productivity Commission, 2022)

3.7.5 Strategic Intent

SA Housing Authority's contribution in reducing housing affordability stress is guided through the state's commitment as part of Strategy 2 in *Our Housing Future 2020-2030*:

"Reduce housing affordability stress through 20,000 affordable housing solutions."

Source: (Government of South Australia, 2019)

As articulated within *Our Housing Future 2020-2030*, it is acknowledged that the successful delivery of Strategy 2 requires commitment from all tiers of government, not-for-profit providers and the residential development industry, through the delivery of the following eight (8) key actions:

- **Action 2.1**: Delivering 1,000 new affordable houses by 2025 for low and moderate-income households through a $398.7m Affordable Housing Initiative.

- **Action 2.2**: Delivering new social, affordable and open market homes through a $54m neighbourhood renewal program over five years.

- **Action 2.3**: Reviewing and developing underutilised government, private and not-for-profit land to drive innovation and supply of new affordable housing outcomes.

- **Action 2.4**: Building up to 1000 new social, affordable and market houses through the Community Housing Asset and Investment Plans.

- **Action 2.5**: Delivering 5000 Affordable Housing outcomes through inclusionary, design and incentive provisions in the planning system, including the 15% Affordable Housing Policy.

- **Action 2.6**: Delivering 5000 Affordable Housing outcomes through inclusionary, design and incentive provisions in the planning system, including the 15% Affordable Housing Policy.

- **Action 2.7**: Continuing to support home ownership through 10,000 HomeStart Finance loans targeted to low and moderate income households and extending the HomeStart Starter Loan beyond June 2021 by an additional 100 new outcomes per year for five years.

- **Action 2.8**: Provide 100 supported private rental opportunities over five years for eligible social housing customers.

As noted within *Our Housing Future 2020-2030*, this contribution has been made to address:

"an estimated 19,000 low-income South Australian households paying more than 50% of their household income on private rental costs."

Source: (Government of South Australia, 2019)

This commitment is in alignment with analysis undertaken by AHURI in its *Report Audit of South Australia's current housing assets and mapping of future demand* which states that of the 45,000 households in low-income rental affordability stress in 2016, 19,000 were paying more than 50 per cent of income on household costs (Leishman & Baker, 2019). This represents the magnitude of South Australian households experiencing "extreme" rental affordability stress (i.e. rental households spending greater than 50% of gross income on housing costs) as opposed to the magnitude experiencing housing affordability stress generally, per Section 3.7.2 (South Australian Council of Social Service, 2013).

Hence, it is acknowledged that SA Housing Authority's focus is centred on providing affordable housing solutions for households experiencing rental affordability stress only, noting that there are protections in place for owners that are not available to renters, notwithstanding potential affordability pressures.

Noting the above commitments, there are a number of limitations in SA Housing Authority and its partners' contribution in supporting affordable home ownership including:

- The commitment in *Our Housing Future 2020-2030* addresses the number of households experiencing "extreme" rental affordability stress as opposed to the full magnitude of households experiencing rental affordability stress generally.

- It is recognised that affordable housing commitments have been based on a point in time assessment, hence there is a need to continually monitor housing affordability in South Australia and establish mechanisms in which to review and update targets based on market conditions, supply and demand, for future generations of South Australians to come.

- The construction of affordable housing should also consider how environmental design could improve ongoing living affordability and amenity, for example cross ventilation, passive solar energy design, efficient appliances, appropriate zoning, room flexibility for future use, and external shading from gardens (Government of South Australia, 2021).

3.7.6 Progress Achieved against Commitments

Table 3-26 provides a summary of SA Housing Authority's progress in supporting affordable home ownership per *Our Housing Future 2020-2030* commitments, based on the traffic light ratings identified in Table 3-4.

Table 3-26: Summary of Authority's Progress - Supporting Affordable Home Ownership (*Our Housing Future 2020-2030*)

Strategy	Description	Rating
2	Reduce housing affordability stress through 20,000 affordable housing solutions	◕

It is acknowledged that the 'Lead' objective within the *Strategic Plan* is directly aligned to the delivery of this strategy, setting the performance measure of "delivery of 10,000 affordable housing solutions" by 30 June 2025. Detailing how SA Housing Authority intends to deliver on this over he five years, the *2020-21 Business Plan* set an annual target of delivering 2,000 affordable housing solutions in FY 2020-21. While it was acknowledged that approximately 1,954 of the 2,000 affordable housing solutions were delivered, the following commentary was supplied by SA Housing Authority:

- SA Housing Authority submitted details of its $452m investment into new social and affordable housing supply to Public Works in November 2020, per Actions 2.1 and 2.2 of *Our Housing Future 2020-2030*. Following satisfaction by the Public Works Committee, SA Housing Authority engaged contractors to deliver the works, with deeds finalised in 2021.

- Timing of the Public Works and procurement process is understood to have impacted the delivery program however it is understood that budgets are being reforecast by the Department for Treasury and Finance. In addition, labour and material shortages as a result of the high demand in the construction industry following the COVID-19 pandemic has been noted as a risk to impact delivery of the program in the short-term. While not reviewed by the independent reviewer, it is acknowledged that a revised timeline has been developed following completion of the Public Works Committee and procurement process. It is understood that the program developed for the Affordable Housing Initiative (accounting for $398.7m of the investment) has also been health checked by Infrastructure SA and detailed risk management plans are in place.

Further, it was acknowledged that a number of data discrepancies were observed as it relates to the exact number of affordable housing solutions delivered. As such, while actions within the *2020-21 Business Plan* is understood to be in progress, assessment in consideration of progress against the *2020-21 Business Plan* has been deemed to be '**Inconclusive**'.

Despite the above rating in consideration of SA Housing Authority's short-term target, assessment of progress against *Strategy 2* of *Our Housing Future 2020-2030* has revealed that actions are generally '**In Progress – no perceived risk of delay**', in consideration of the long-term outcome noting the recalibration of delivery programs and use of detailed risk management plans.

Also refer to Table 3-6 for detailed commentary with regards to progress against Strategy 2 within *Our Housing Future 2020-2030* and Appendix C for further commentary with respect to progress against the *2020-21 Business Plan*.

4

Governance

Key Points

Terms of Reference	
G1	To what extent does SA Housing Authority and the broader **social housing system reflect** the characteristics of a **Modern Multi Provider System**? How are the roles of SA Housing Authority and community housing providers meeting **changing customer needs**?
G2	How can **governance arrangements be enhanced** to **support a multi-provider** and agency response to deliver on the strategy, including connections to the new Homelessness Alliances?

G1. TO WHAT EXTENT DOES SA HOUSING AUTHORITY AND THE BROADER SOCIAL HOUSING SYSTEM REFLECT THE CHARACTERISTICS OF A MODERN MULTI PROVIDER SYSTEM? (PART 1 OF 2)

CHARACTERISTICS OF A MODERN MULTI-PROVIDER SYSTEM

It was acknowledged that SA Housing Authority nor the broader sector has no defined characteristics for a multi-provider system, as validated by stakeholder consultations.

Through benchmarking housing authorities in other jurisdictions both nationally and internationally, the following seven (7) key characteristics of a modern multi-provider system have been identified:

- **Customer at the Centre:** Placing the customer at the centre of all decision making.
- **Outcome Focused:** Pursuit of customer outcomes at a system-level.
- **Integrated:** Harmonisation between government, department and providers at multiple levels, to holistically respond to customer needs.
- **Tailored Services:** Matching the unique need of a customer to services.
- **Flexible and Agile:** Ability to adapt and effectively respond to a changing environment.
- **Financial Sustainability**: Sustainably providing services through the focused and effective use of financial resources.
- **Fostering Development:** Assist continual growth and development of the sector.

| Customer at the Centre | Outcome Focused | Integrated | Tailored Services | Flexible and Agile | Financial Sustainability | Fostering Development |

ENABLING GOVERNANCE ARRANGEMENTS

The following three levels of governance arrangements have been identified to enable SA Housing Authority and broader social housing system the ability to apply the characteristics of a modern multi provider system:

- Legislation
- Operating Model
- Organisational Structure

In consideration of the key characteristics above, a traffic light assessment was undertaken to analyse the extent in which the legislation, operating model and organisational structure enables SA Housing Authority to successfully operate in alignment with the characteristics of a modern multi-provider system, per the following ratings.

Rating	Level of Enablement Definition
Enables	**Drives** SA Housing Authority's ability to operate in alignment with the **characteristic** through **linked commentary**.
Partially Enables	**Does not** appear to **hinder** SA Housing Authority's ability to demonstrate the **characteristic** though includes **limited/no commentary** to its effect.
Hinders	Appears to **limit** the ability to demonstrate the **characteristic.**

TO WHAT EXTENT DOES THE LEGISLATION ENABLE SA HOUSING AUTHORITY?

The SAHT is legislated under the *South Australian Housing Trust Act 1995* (the Act) which defines the SAHT's functions and powers amongst other obligations.

While SA Housing Authority's legislation appears to be reasonably broad in nature, enabling a range of functions to be undertaken at the discretion of the SAHT, the SAHT is ultimately subject to the control and direction of the Minister. The Act also stipulates that provision of financial assistance is subject to the approval of the Treasurer, however it is acknowledged that Cabinet considers major policy initiatives and matters of strategic importance, including significant financial expenditure. This implies that external influences such as public policies, priorities, commitments and budget constraints have the ability to influence the operations of SA Housing Authority.

Consequently, the legislation has been understood to **partially enable** SA Housing Authority the ability to operate as a modern multi-provider system.

TO WHAT EXTENT DOES THE LEGISLATION ENABLE THE BROADER SOCIAL HOUSING SYSTEM?

Community Housing Providers are legislated under the *Community Housing Providers (National Law) (South Australia) Act 2013*. The legislation appears to be relatively broad, enabling SA Housing Authority to enter into a community housing agreement (between CHPs and SA Housing Authority) to align characteristics and performance.

Operationally, it is acknowledged that a large number of properties managed by CHPs are owned by the state. This has the potential to limit a CHP's ability to be financially sustainable, noting limitations in the CHP's ability to leverage its assets for debt financing.

Noting the comments above, the *Community Housing Providers (National Law) (South Australia) Act 2013* is understood to **partially enable** CHPs to operate in alignment with characteristics of a modern multi-provider system.

TO WHAT EXTENT DOES THE OPERATING MODEL ENABLE SA HOUSING AUTHORITY?

The operating model of SA Housing Authority is defined within the SAHT Act and is similar to a South Australian Government owned Public Corporation (or subsidiary) under the *Public Corporations Act 1993 (SA)*.

While this model allows for a moderate degree of autonomy and integration in its operational and governance capacity, the Board is subject to the control and direction of its Minister. Therefore, the application of this operating model may be dependent on public policies, priorities, commitments and budget constraints.

In consideration of the above findings, SA Housing Authority is considered to be **partially enabled** to operate as a modern multi-provider system.

TO WHAT EXTENT DOES THE ORGANISATIONAL STRUCTURE ENABLE SA HOUSING AUTHORITY AND BROADER SOCIAL HOUSING SYSTEM?

Key observations of SA Housing Authority's organisational structure and its ability to both enable and demonstrate SA Housing Authority and broader social housing system to operate as a modern multi-provider system found that:

- SA Housing Authority has no formal definition of 'customer at the centre'. In the absence of a universal definition at an organisational level, divisions within SA Housing Authority are understood to approach customers in a compartmentalised manner.
- There is lack of a nationally consistent data set and *Outcome Focused* performance metric across jurisdictions and agencies to assess individual provider and sector performance.
- There is opportunity for improvement in being better *Integrated* with CHPs and Referral Agencies to build stronger system pathways and fully integrate the sector's service offering across the housing continuum.
- While there was a unanimous passion and alignment in the need to provide *Tailored Services* for customers during stakeholder consultations, it was acknowledged that the sector has not been consistently responsive to the current unique needs of the customer.
- A Delegations of Authority Framework and Schedule has been established which appears to be appropriate with the functions of SA Housing Authority and its enabling legislation. However, the ability for SA Housing Authority to be *Flexible and Agile* has linkages between the enabling legislation.
- While appropriate teams appear to be established within SA Housing Authority's organisational structure to address SA Housing Authority's *Financial Sustainability*, it is acknowledged that SA Housing Authority's ability to maximise use of resources may be susceptible to public policies, priorities, commitments and budget constraints.
- Through stakeholder consultations, it is understood that pockets of innovation and development exist within SA Housing Authority. However, it is acknowledged that there is no team or overarching strategies dedicated to *Fostering Development* of the sector holistically.

Noting the above, SA Housing Authority appears to **partially enable** and **partially demonstrate** the key characteristics of a modern-multi provider system.

G1. HOW ARE THE ROLES OF SA HOUSING AUTHORITY AND COMMUNITY HOUSING PROVIDERS MEETING CHANGING CUSTOMER NEEDS? (PART 2 OF 2)

THE CHANGING CUSTOMER PROFILE

The profile of the average Authority customer is becoming increasingly complex and vulnerable.

- The profile of the **social housing** customer appears to be ageing and increasing in vulnerability. While the number of South Australians on the social housing waitlist has decreased over the Triennial Review window, the number of those presenting a greatest need has increased.
- Single and single parent households have continued to represent the overwhelming majority of households residing in social housing, reflective of the shift in the traditional social housing customer family structure over time.
- While there has been a significant decrease in the number of applicants assisted through the Private Rental Assistance Program, the profile of customers receiving **private rental assistance** is ageing.
- The proportion of returning customers to **specialist homelessness services** is increasing, and those receiving assistance have required longer periods of support.

ROLES OF SA HOUSING AUTHORITY AND COMMUNITY HOUSING PROVIDERS IN MEETING CHANGING CUSTOMER NEEDS

While there were a number of opportunities for improvement identified in the SA Housing Authority and CHPs' ability to reflect all characteristics of a modern multi-provider system, its ability to respond to the current and changing needs of customers through the *Tailored Services* characteristic was highlighted as a key area for improvement. Whilst noting that SA Housing Authority and CHP roles are considered enabled to achieve this, stakeholders noted several challenges including:

- Consistency in the social housing system's responsiveness to the evolving, unique needs of the customer.

- The cultural responsiveness and flexibility of a range of existing services to meet the current needs of Aboriginal communities.
- Depth of understanding of the unique needs and specific challenges faced by customers from culturally and linguistically diverse backgrounds.
- Clarity in the delineation of services for customers transitioning through the housing continuum to ensure there are no gaps in service offerings. This is a particular challenge for mixed tenures where the definition of responsibility and accountability for certain cohorts is not clearly defined between government agencies

G2. HOW CAN GOVERNANCE ARRANGEMENTS BE ENHANCED TO SUPPORT A MULTI PROVIDER AND AGENCY RESPONSE TO DELIVER ON THE STRATEGY, INCLUDING CONNECTIONS TO THE NEW HOMELESSNESS ALLIANCES?

OPPORTUNITIES FOR ENHANCEMENT IN GOVERNANCE ARRANGEMENTS

Noting outcomes of the extent in which SA Housing Authority and broader social housing system enable and demonstrate the key characteristics of a modern multi-provider system, the following enhancements were identified.

- **Opportunity 1**: Desensitising SA Housing Authority's operations from external influences (particularly as it relates to financial matters) to enhance its autonomy in leveraging existing assets to fund new investments to grow the sector and foster development (including CHPs) at its own discretion.
- **Opportunity 2**: Establishment of system-wide definitions, including a universal customer charter to better enable a consistent understanding and language within the system.
- **Opportunity 3**: Increasing clarity of delineation in services between government and non-government providers through improved partnerships within the system to understand and mitigate key gaps for customers transitioning across the housing continuum.
- **Opportunity 4**: Outcomes focused recalibration of Key Performance Indicators that enables preventative and holistic decision making within SA Housing Authority.
- **Opportunity 5**: Development of data governance principles and implementation of frameworks within SA Housing Authority to better enable monitoring of progress, performance and decision making whilst aligning to the National Data Strategy.
- **Opportunity 6**: Improved data integration cross-sector, cross-department and cross-jurisdiction to streamline a customer's housing or homelessness journey through matching the right capability to the required need in an agile manner. This should also align to the National Data Strategy.
- **Opportunity 7**: Establishment of a cross-department working group to discuss challenges, opportunities and solutions focused around agreed priority cohorts and objectives. This appeared to be a favourable concept to all parties of the Referral Pathways consultation group to leverage the shared system understanding and encourage integration and collaboration.
- **Opportunity 8**: Exploration into opportunities to build the capability of the sector. This includes identifying key mechanisms and initiatives to ensure that organisations have the necessary capability, connectivity and processes to respond to the changing customer needs and deliver innovative and cost-effective solutions sector-wide.

While the above opportunities for enhancement have been identified through this independent Triennial Review, these have not been assessed or accepted by SA Housing Authority. It is recommended that these are reviewed by SA Housing Authority to ensure that the assessment is reflective of its current state, prior to pursuit.

With respect to the Homelessness Alliances, it is acknowledged that implementation commenced after the Triennial Review window (i.e. on 1 July 2021). Consequently, no commentary has been provided on the effectiveness of the established governance structures. However, it is recommended that performance of this structure is assessed to monitor the effectiveness of the current structure, and identify opportunities for enhancement, if present.

GOVERNANCE

4.1 The SA Housing Authority's Performance as a Modern Multi-Provider System

Term of Reference	
G1	To what extent does SA Housing Authority and the broader social housing system reflect the characteristics of a Modern Multi Provider System?
	How are the roles of SA Housing Authority and community housing providers meeting changing customer needs?

4.1.1 Overview

Based on the analysis of SA Housing Authority and broader social housing system governance arrangements, the following summarises the extent in which it reflects the characteristics of a Modern Multi Provider System:

- **Defining the Characteristics of a Modern Multi-Provider System**: Seven (7) key characteristics of a modern multi-provider system were identified through benchmarking of relevant national and international jurisdictions:

  – **Customer at the Centre**: Placing the customer at the centre of all decision making.
  – **Outcome Focused**: Pursuit of customer outcomes at a system-level.
  – **Integrated**: Harmonisation between government, department and providers at multiple levels, to holistically respond to customer needs.
  – **Tailored Services**: Matching the unique need of a customer to services.
  – **Flexible and Agile**: Ability to adapt and effectively respond to a changing environment.
  – **Financial Sustainability**: Sustainably providing services through the focused and effective use of financial resources.
  – **Fostering Development**: Assist continual growth and development of the sector.

  Three overarching levels of governance were acknowledged to enable SA Housing Authority and community housing providers to apply these characteristics: legislation, operating model and organisational structure.

- **Enabling legislation of SA Housing Authority:** SA Housing Authority's enabling legislation appears to be reasonably broad and while it does not appear to mandate each characteristic of a modern multi-provider system, it also does not appear to not hinder SA Housing Authority's ability to operate in this manner.

- **Financial Agility:** While the legislation enables SA Housing Authority to perform a range of functions, at the direction of the Minister, provision of financial assistance is generally subject to the approval of the Treasurer. However, it is acknowledged that Cabinet considers major policy initiatives and matters of strategic importance, including significant financial expenditure. This implies that external influences such as public policies, priorities, commitments and budget constraints have the ability to influence the operations of SA Housing Authority.

- **Enabling legislation of CHPs**: The broad nature of legislation regarding community housing providers also appears to enable SA Housing Authority in implementing several requirements through the development of a community housing agreement (between CHPs and SA Housing Authority) to align characteristics and performance.

- **Partially enabling operating model**: SA Housing Authority's operating model appears to partially enable all characteristics of a modern multi-provider system, noting that external influences such as public policies, priorities, commitments and budget constraints could potentially influence the operations of SA Housing Authority.

- **Enabling organisational structure**: The current organisational structure of SA Housing Authority appears to enable the characteristics of a modern multi provider system, however internal stakeholders expressed that this is currently demonstrated to varying degrees, with opportunities for improvement apparent.

- **Opportunities in addressing changing customer needs**: While there were opportunities identified for SA Housing Authority across all of the defined characteristics, the ability to respond to the current and changing needs of customers through *Tailored Services* of SA Housing Authority and CHPs is highlighted as a key area for improvement. While each of SA Housing Authority and CHP roles are considered enabled to achieve this, stakeholders noted current challenges that included:

  – Consistency in the social housing systems responsive to evolving unique needs of the customer.
  – The cultural responsiveness and flexibility of a range of existing services to meet the current needs of Aboriginal communities.
  – Deeper understanding of the unique needs and specific challenges faced by customers from culturally and linguistically diverse backgrounds.
  – Clarity in the delineation of services for customers shifting across the housing continuum to ensure there are no gaps, particularly in the definition of responsibility and accountability for certain cohorts (i.e. mixed tenures) between government agencies.

GOVERNANCE

4.1.2 What is a Modern Multi-Provider System?

The *2018 South Australian Housing Trust Triennial Review* 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 the needs of its customers. Noting the outcomes of the previous Triennial Review, *Our Housing Future 2020-2030* seeks to modernise the social housing system, whilst developing and implementing a new and sustainable multi-provider housing sector.

As defined in the *2019 Taskforce Report to the Minister for Human Services,* a multi-provider sector is defined as:

> *"A sector that contains different providers, offering the same and/or different housing products and services and providing consumer choice, which has strong partnerships across the sector and with government, to support a modern, **multi-provider housing system**."*
>
> Source: (SA Housing and Homelessness Taskforce, 2019)

More simplistically, a multi-provider housing system could be comprised of a multi-provider homelessness, social housing, affordable housing and market housing system.

In the context of social housing, at its core, a multi-provider system reduces the magnitude of state and territory public housing landlords in which numerous not-for-profit landlords or community housing providers play a larger role (Pawson, H, et al., 2014). As defined by the Community Housing Council of South Australia (CHCSA), a true multi-provider social housing sector will mean that community housing providers are operating at scale, with capacity, accessing debt finance and partnering with key stakeholders to deliver social housing (CHCSA, 2017).

The social housing landscape has undergone major change in the last few years. While public housing remains the state's primary provider of social housing, the social housing sector is demonstrating multi-provider attributes through delivery of social housing by Community Housing Providers.

Meanwhile, there has been little progress to define providers' roles within the new system. Frequently, the same services and products have been offered by different social housing providers – duplicating overheads (government spending) without adding value for the customer and at times confusing them (SA Housing and Homelessness Taskforce, 2019).

As acknowledged in Section 2.2.1.1, the Triennial Review window saw the transformational reform of the state-wide approach to the homelessness sector through the establishment of five collaborative alliances.

As such, SA Housing Authority is understood to be operating as a multi-provider system, particularly in the context of the social housing and homelessness sectors by:

- Increasing the supply of suitable affordable housing.
- Modernising and improving the social housing system.
- Supporting a modern multi-provider system.
- Establishing an environment that promotes shared responsibility and ownership of the housing challenges South Australians face.

4.1.3 Strategic Intent

SA Housing Authority's strategic intent to operate and develop as a modern multi-provider system has been documented within *Our Housing Future 2020-2030* Strategy and *SA Housing Authority's 2020-2025 Strategic Plan*, as described in the Sections below.

4.1.3.1 Our Housing Future 2020-2030

A Taskforce was established to oversee the development of the state's first ever system-wide Housing and Homelessness Strategy, *Our Housing Future 2020-2030*. The Taskforce brought together a group of key leaders from the housing and support sector, as well as industry demonstrating the South Australian Government's approach to strengthening partnerships in a multi-provider environment. The Taskforce recognised the need to establish a resilient, sustainable multi-provider ecosystem that can respond to the challenges ahead.

This appears to be aligned to *Strategy 5* within Our Housing Future which seeks to modernise the social housing system and develop and implement a new and sustainable multi-provider housing sector. Table 4-1 provides a summary of key actions within *Strategy 5* which pertain to the modernisation and strengthening of a multiple-provider social housing sector.

Table 4-1: Actions Relating to a Multi-Provider System - Our Housing Future 2020-2030

Strategy 5 – Modernise the social housing system and reposition it for success		
Action 5.3	Improving the sustainability of the social housing system.	
	Outcome:	Create long-term financial, asset, business and operational strategies to establish the framework required for a **modern**, **effective** and **sustainable multi-provider system**.
Action 5.5	Implementing Industry Development Frameworks that **strengthen** the **multi-provider social housing sector** as a key agent of change.	
	Outcome:	Build required capabilities and capacity, strengthen the industry for improved, increase resilience to change, and assist in better meeting future needs.

4.1.3.2 Strategic Plan 2020-2025

In parallel to *Our Housing Future 2020-2030*, the *Strategic Plan* outlines how SA Housing Authority will reposition itself as a modern, professional and high-performing organisation with a business mindset and a customer-centred approach.

In particular, the *Lead* objective within the *Strategic Plan* aims to model a strong, fair and inclusive housing system. It also acknowledges that:

> *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.*
>
> Source: (SA Housing Authority, 2020)

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4.1.4 Characteristics of a Multi-Provider System

As articulated in the *Strategic Plan 2020-2025*, SA Housing Authority works in collaboration with numerous government and non-government organisations, including the private sector to improve the standard and access to housing across the state while always placing the 'customer at the centre', per Figure 4-1 (SA Housing Authority, 2020).

In SA Housing Authority's role of collaborating with its partners, the *Strategy and Governance* division plays a pivotal role in enabling a well-connected system, responsible for strengthening the governance framework of SA Housing Authority, including relationships and partnerships with other organisations and providers.

SA Housing Authority's collaboration with several partners is particularly apparent in the homelessness and social housing sector, which is becoming increasingly diversified across multiple providers. As identified in AHURI Report, *Understanding the Experience of Social Housing Pathways*, as the social housing sector diversifies into a multi-provider system, there is a risk of fragmentation in access and support provision (Flanagan, K, et al., 2020). Consequently, given the emergence of a multi-provider homelessness and social housing system, there is a need to achieve alignment on the characteristics of a modern multi-provider system in order to ensure consistency in service delivery and enhance system integration.

A literature review of documentation revealed that SA Housing Authority or broader system currently has no defined characteristics for a multi-provider system. This statement was validated through numerous stakeholder consultations with representatives of SA Housing Authority, community housing providers and referral agencies.

In the absence of a sector-wide understanding of the characteristics of a modern multi-provider system, a benchmarking study was undertaken to identify key themes in consideration of relevant national and international jurisdictions with multi-provider systems.

Table 4-2 provides a summary of the jurisdictions considered in the benchmarking exercise, selected based on similarities to South Australia's system of government (constitutional monarchy in alignment with the Crown). The appropriateness of these jurisdictions was tabled and agreed by all members of the Reference Group.

Figure 4-1: SA Housing Authority's Partners

Source: (SA Housing Authority, 2020)

Table 4-2: National and International Jurisdictions considered within Benchmarking

National		International	
Australia	Victoria	United Kingdom	London, England
	New South Wales		Glasgow, Scotland
	Queensland	Canada	Nation-wide
	Western Australia		
New Zealand	Nation-wide		

Key strategic documents, such as the current housing and homelessness strategy for each jurisdiction in consideration, were reviewed as part of the benchmarking exercise. It is noted that analysis of these documents was limited to publicly available documents available at the time of the review.

Based on these findings, seven characteristics of a modern multi-provider system were determined and synthesised per Table 4-3 below.

Table 4-3: Overarching Key Characteristics from Jurisdictional Benchmarking

Key Characteristics	Overarching Definition
Customer at the Centre	Placing at the customer at the centre of all **decision making**
Outcome Focused	Pursuit of customer **outcomes** at a **system-level**
Integrated	**Harmonisation** between government, department and providers at multiple levels, to holistically respond to customer needs
Tailored Services	**Matching** the unique need of a customer to services
Flexible and Agile	**Ability to adapt** and effectively respond to a changing environment
Financial Sustainability	**Sustainably** providing services through the focused and effective use of financial resources
Fostering Development	**Assist continual growth** and development of the sector

To enable SA Housing Authority to leverage the defined characteristics into practice moving forward, a charter with attributes for each characteristic has been provided for further discussion and implementation within SA Housing Authority based on this benchmarking in Figure 4-3.

Noting the characteristics benchmarked, defined and agreed with the Reference Group, it was acknowledged that each jurisdiction placed emphasis on different characteristics to a varying degree.

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Further detail on the analysis and key themes within the benchmarking exercise to support this is available within Appendix D.

Table 4-4 (below), presents a summary of each jurisdiction reviewed, including the alignment of their strategic documentation (publicly available) to the key characteristics identified. Further detail on the analysis and key themes within the benchmarking exercise to support this is available within Appendix D.

Table 4-4: Alignment of Jurisdictions to Key Characteristics

Jurisdiction		Strategy			Key Themes						
Country	State/City	Housing Strategy	Homelessness Strategy	Integrated Strategy	Customer at the Centre	Outcome Focused	Integrated	Tailored Services	Flexible and Agile	Financial Sustainability	Fostering Development
Australia	Victoria	✓	✓			✓	✓	✓			✓
	New South Wales	✓	✓		✓		✓	✓	✓	✓	✓
	Queensland			✓	✓		✓	✓			✓
	Western Australia	✓	✓		✓		✓	✓	✓	✓	
New Zealand	Nation-wide	✓	✓		✓		✓	✓			
England	London			✓	✓		✓	✓			✓
Scotland	Nation-wide			✓	✓	✓	✓				✓
Canada	Nation-wide	✓	✓		✓			✓			

Figure 4-2 (right) presents a summary of this pictorially, including identifying key strategic documents reviewed, per Appendix D.

Scotland, United Kingdom
▶ A National Framework to Start-up and Scale-Up Housing First in Scotland
▶ Housing to 2040
▶ Ending Homeless and Rough Sleeping Together: Action Plan

Canada
▶ National Housing Strategy
▶ Reaching Home: Canada's Homelessness Strategy

Queensland
▶ Queensland Housing Strategy 2017-2027
▶ Homelessness to Housing Strategy 2020
▶ Queensland Housing and Homelessness Action Plan 2021-2025
▶ Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023

England, United Kingdom
▶ Homes England Strategic Plan 2018-2023
▶ Homelessness and Rough Sleeping Strategy 2020-2025
▶ London Housing Strategy

Western Australia
▶ WA Housing Strategy 2020-2030
▶ All Paths Lead to a Home: Western Australia's 10-Year Strategy on Homelessness 2020-2030

New South Wales
▶ Housing 2041: NSW Housing Strategy
▶ NSW Homelessness Strategy 2018-2023

Victoria
▶ Homes for Victorians
▶ A Better Place: Victorian Homelessness Strategy 2020
▶ Victoria's Big Housing Build 2020

New Zealand
▶ Maihi Ka Ora The National Maori Housing Strategy 2021-2051
▶ Aotearoa Homelessness Action Plan 2020-2030
▶ New Zealand Kāinga Ora – Homes and Communities Legislation

Figure 4-2: National and International Jurisdictions and its Alignment to the Key Characteristics of a Modern Multi-Provider System

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Key Characteristics of a modern multi-provider system

Customer at the Centre

Placing at the Customer at the centre of all decision making

▶ Recognition and understanding of the diverse circumstances and **unique needs** of each person

▶ **Streamlines and empowers** a Customers housing or homelessness **journey**

▶ Enables a Customer to **successfully transition** from the system and break the cycle of readmission

▶ Early intervention of vulnerable Customers with **preventative focus**

Outcome Focused

Pursuit of Customer outcomes at a **system-level**

▶ **Alignment** and implementation of provider **vision** and strategy at a **system-level**

▶ A **delivery model** that enables the ability to **flexibly** integrate and **respond** to changing needs of the Customer

▶ **Consistency in performance indicators** and reporting across sector

Integrated

Harmonisation between government, department and providers **at multiple levels**, to holistically respond to Customer needs

▶ **Consistent definition** and approach to diverse Customer needs

▶ **Sharing information consistently and transparently** to better enhance or identify services for a Customer's unique needs

▶ **Robust allocation** of **services across multiple-levels** to meet unique needs of the Customer (i.e. matching capability to the required need)

Tailored Services

Matching the unique need of a Customer to services

▶ **Responsive to** the current and **changing needs** of a Customer

▶ Provide **culturally sensitive** services

▶ Provide **pathways** which **enable** Customers to gain **entry across the housing continuum**

▶ Delivery of services which **contribute** to sustainable, inclusive and thriving **communities**

Flexible and Agile

Ability to adapt and effectively respond to a changing environment

▶ Seamless housing and homelessness services that are enabled by **appropriate systems and processes**

▶ Shared understanding and **definition of roles, responsibilities and accountabilities** across the sector (at **multiple levels**) that enables agile decision making

Financial Sustainability

Sustainably providing services through the focused and effective use of financial resources

▶ **Strategic allocation of income** between services, aligned to the system-level outcomes

▶ **Optimise asset lifecycle and portfolio** to meet future tenant needs

▶ **Policies aligned to financial drivers**

▶ **Responsive to Commonwealth and State funding** and policy reform

▶ **Accurate and transparent reporting** of revenue and expenditure across operations

Fostering Development

Assist continual growth and development of the sector

▶ **Educates and increases awareness** to build sector services

▶ **Promotes and demonstrates cross-pollination** of knowledge and learnings that builds sector capability

▶ Encourages diverse thinking and pursuit of continuous **improvement and innovation**

▶ Enable **new partnerships that strengthen system-level outcomes**

Figure 4-3: Key Characteristics of a Modern Multi-Provider System

4.1.5 Characteristics of the SA Housing Authority

While SA Housing Authority has no characteristics related to a modern multi-provider system defined for its successful operation, it is acknowledged that SA Housing Authority's ability to reflect the key characteristics identified in Section 4.1.1 can be influenced by its governance arrangements.

Governance is a key driver influencing the operations and performance of an organisation. It refers to the arrangements and practices which enable an organisation to set its direction, manage its operations in order to discharge its obligations and assist in the achievement of expected outcomes. This encompasses many components, including leadership, direction, control and accountability (Australian National Audit Office, 2014).

As defined in the Australian National Audit Office's *Better Practice Guide for Public Sector Governance*, good governance generally focuses on two key requirements (Australian National Audit Office, 2014):

- **Performance**: How an organisation uses governance arrangements to contribute to its overall performance, including the successful delivery of goods, services or programmes.

- **Accountability**: How an organisation uses governance arrangements to provide visibility of results to relevant parties and ensure it meets the requirements of the law, regulations, published standards and community expectations of openness, transparency and integrity.

Noting the above, the three key levels of governance arrangements in which an entity is enabled to apply the characteristics of a modern multi provider system are as follows:

- Legislation

- Operating Model

- Organisational Structure

The following sections describe the characteristics of the SA Housing Authority in the context of these governance arrangements. Figure 4-6 presents SA Housing Authority's current governance arrangements diagrammatically, including linkages across the three levels of governance, current to 30 June 2021.

4.1.5.1 SA Housing Authority's Legislation

As acknowledged in Section 2.2.2, the SAHT is legislated under the *South Australian Housing Trust Act 1995* (the Act) which defines the SAHT's functions and powers amongst other obligations. Key functions of the SAHT as defined within Section 5 of the Act include:

Section 5 (1a): To assist people to secure and maintain affordable and appropriate housing.

Section 5 (1b) To provide houses to meet housing needs, or to support or promote programs or other initiatives within the private or not-for-profit sectors to meet housing needs.

Section 5 (1b) To facilitate support for South Australians so as to increase their ability to achieve successful housing outcomes.

Section 5 (1d) To provide advice to the Minister.

Source: (Government of South Australia, 2015)

The Act also specifies that the SAHT will be the principal property and tenancy manager of public housing across South Australia.

The role and legislative powers of the Minister are similarly emphasised within Section 5 of the Act, which suggests that operations of the SAHT may be sensitive to public policies, priorities, commitments and budget constraints. Language within the Act includes but is not limited to:

Section 5 (1f) The function of SAHT include to carry out any other functions conferred on SAHT by or under this Act or other Acts, by the Minister or by delegation under an Act.

Section 5 (4) In conducting its affairs and after taking into account the policies of the Government, SAHT should meet its aims and objectives through the most appropriate and effective mechanisms available to it (which mechanisms may include engaging or funding other bodies or persons to provide or deliver programs or services so as to result in the best use of the resources available to SAHT).

Source: (Government of South Australia, 2015)

The Act also mandates other requirements to varying degrees, some of which have the ability to influence the operations of the SAHT and consequently, its ability to operate as a modern multi-provider system. These obligations include but are not limited to administering:

- The specific powers of the SAHT.

- The requirement for a Board to manage the SAHT and its duties.

- Staffing arrangement procedures.

- Committees and delegations,

- Operational, property and financial matters.

- Performance and reporting obligations.

- Regulations if a subsidiary is to be established.

- Other miscellaneous items.

While it is acknowledged that SA Housing Authority is responsible for administering a number of other legislation as defined in Section 2.2.2.2, the SAHT Act is recognised as SA Housing Authority's enabling legislation.

Noting the above, it is important to understand interrelationships between the enabling legislation and characteristics of a modern multi-provider system in order to identify whether any requirements within the Act limit the ability for the SAHT to demonstrate.

Specific powers conferred on SA Housing Authority within the *Community Housing Providers (National Law) (South Australia) Regulations 2014* is also important to understand noting the interrelationships and contribution of CHPs and their role within the broader social housing sector.

4.1.5.2 SA Housing Authority's Operating Model

An operating model is a high-level representation of how an organisation is structured to deliver and execute on the organisation's strategy and legislative obligations (Deloitte, 2021). With respect to SA Housing Authority, the operating model represents how SA Housing Authority is structured to execute its 10-year housing and homelessness strategy, *Our Housing Future 2020-2030*, and fulfil its legislative obligations as defined within the SAHT Act.

The operating model of SA Housing Authority is defined within the SAHT Act which stipulates that the SAHT is managed by a Board of seven members appointed by the Governor, who is subject to the control and direction of its Minister (Government of South Australia, 2015).

This is similar to a South Australian Government owned Public Corporation (or subsidiary) under the *Public Corporations Act 1993 (SA)* which prescribes the optional requirement to form a separately constituted board of directors.

Figure 4-4 illustrates an indicative operating model adopting a South Australian Government owned Public Corporation (Public Corporation) structure, such as SA Housing Authority.
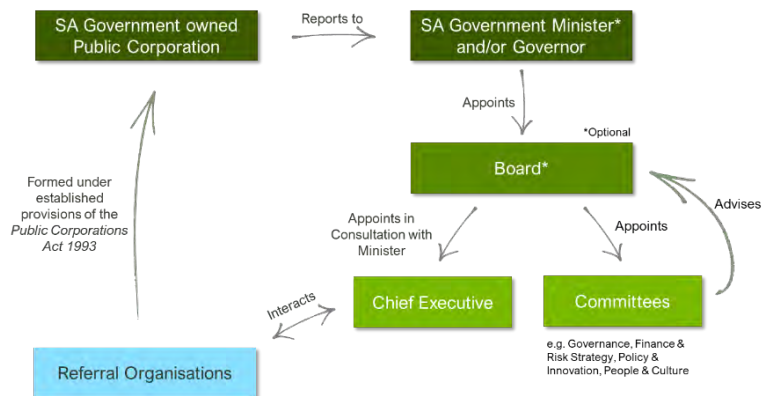
Figure 4-4: Indicative SA Government owned Public Corporation Operating Model

While the Public Corporation model allows for a moderate degree of autonomy in its operational and governance capacity, the Board is accountable to the relevant Minister within the South Australian Government. Consequently, the Board under a Public Corporation model is subject to the control and direction of its Minister.

Consequently, the application of this operating model may be subject to public policies, priorities, commitments and budget constraints. Examples of other established South Australian entities operating under this governance model include Renewal SA, SA Water, and Adelaide Venue Management Corporation.

Fundamentally, SA Housing Authority is led by the South Australian Housing Trust Board, comprised of seven board members who are responsible for developing, implementing, supporting and providing housing services for South Australians. Through the *SAHT Act*, the SAHT Board is responsible for the

Minister for Human Services overseeing the operations of the South Australian Housing Trust. Refer to Figure 4-6 which presents these linkages diagrammatically.
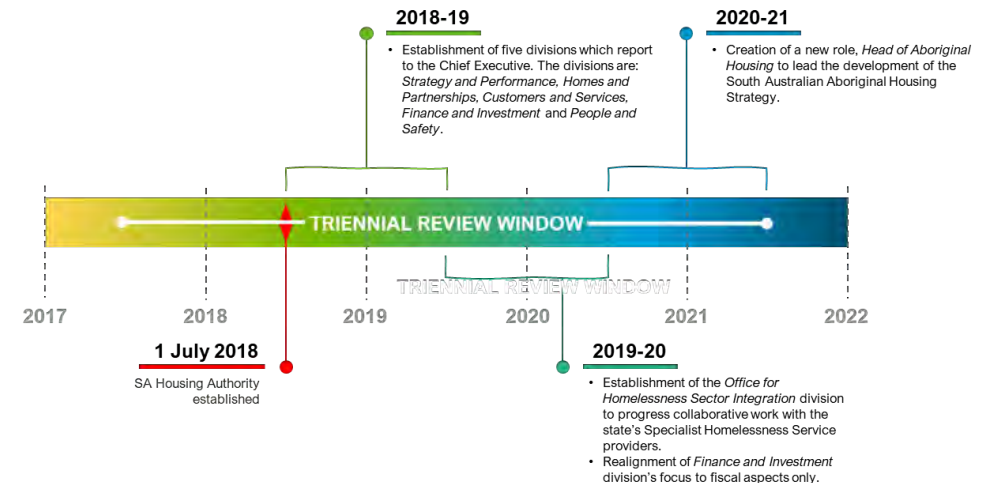
4.1.5.3 SA Housing Authority's Organisational Structure

SA Housing Authority's organisational structure is the bridge between strategy and operations, translating strategic intent into operational capabilities. It serves as the foundation for execution and defines the roles and responsibilities of leadership teams.

Therefore, it is important that the organisational structure is consistent with the broader objectives of SA Housing Authority to ensure that day-to-day actions of individual employees are aligned.

Upon commencing operations on 1 July 2018, SA Housing Authority consolidated the housing-related functions formerly performed by Renewal SA and Housing SA (including strategy, service delivery and asset management).

It is noted that its organisational structure has evolved over the Triennial Review window, to flexibly respond to SA Housing Authority's increasing maturity along its transformation timeline (refer Figure 3-3) as well as SA Housing Authority's commitments within the 10-year strategy. These changes have seen the number of divisions reporting to the Chief Executive grow from five (5) upon establishment of SA Housing Authority in 2019 to seven (7) as of 30 June 2021. Figure 4-5 presents a summary of the evolution of SA Housing Authority's organisational structure from establishment.
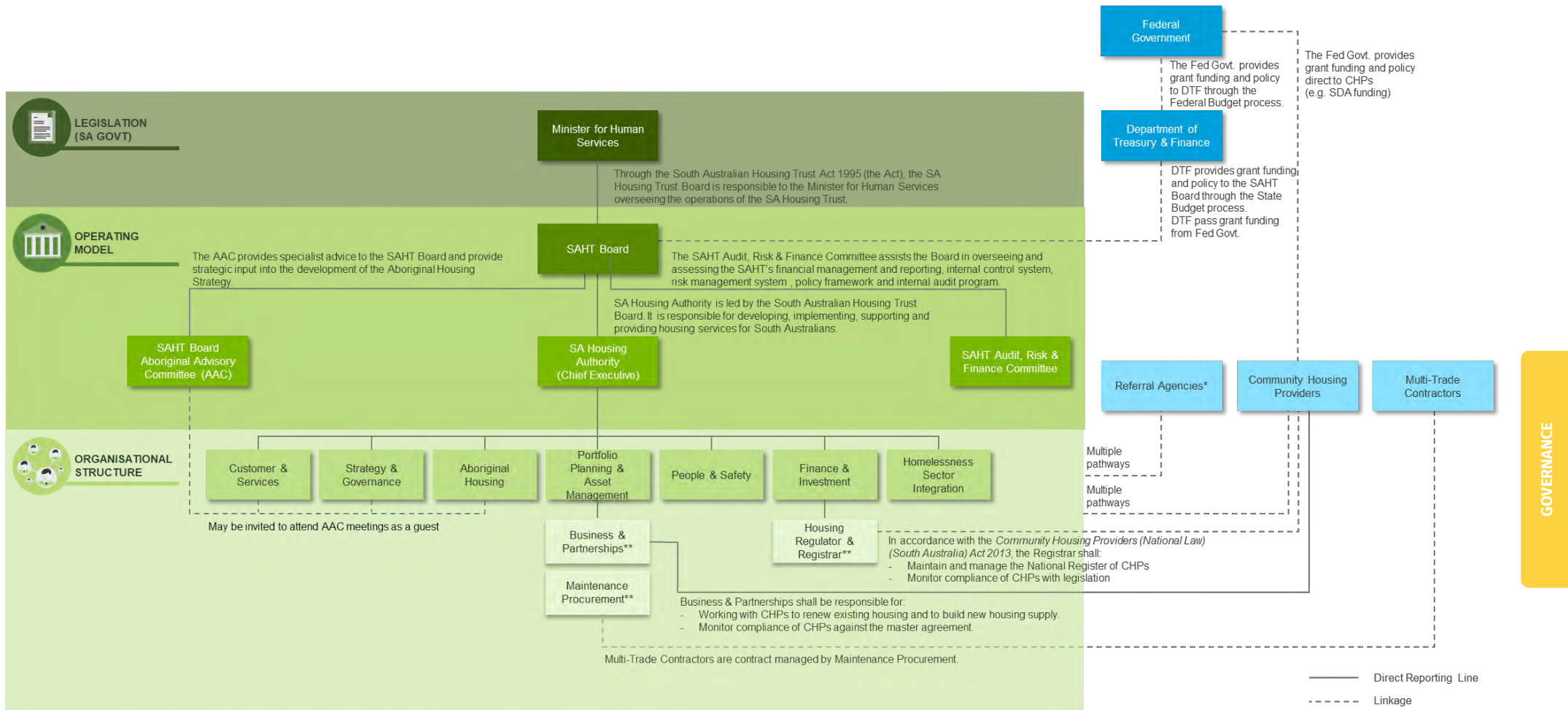

Figure 4-5: Evolution of SA Housing Authority's Organisational Structure

As of 30 June 2021, SA Housing Authority has 826 active employees, 7 executive teams (or divisions) who report to the Chief Executive and 20 offices located throughout South Australia (SAHT, 2021).

The organisational structure of the executive team as of 30 June 2021 is illustrated in Figure 4-6.

LEGISLATION (SA GOVT)

Minister for Human Services

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

OPERATING MODEL

The AAC provides specialist advice to the SAHT Board and provide strategic input into the development of the Aboriginal Housing Strategy.

SAHT Board

The SAHT Audit, Risk & Finance Committee assists the Board in overseeing and assessing the SAHT's financial management and reporting, internal control system, risk management system , policy framework and internal audit program.

SA Housing Authority is led by the South Australian Housing Trust Board. It is responsible for developing, implementing, supporting and providing housing services for South Australians.

SAHT Board Aboriginal Advisory Committee (AAC)

SA Housing Authority (Chief Executive)

SAHT Audit, Risk & Finance Committee

ORGANISATIONAL STRUCTURE

Customer & Services

Strategy & Governance

Aboriginal Housing

Portfolio Planning & Asset Management

People & Safety

Finance & Investment

Homelessness Sector Integration

May be invited to attend AAC meetings as a guest

Business & Partnerships**

Housing Regulator & Registrar**

Maintenance Procurement**

In accordance with the *Community Housing Providers (National Law) (South Australia) Act 2013*, the Registrar shall:
- Maintain and manage the National Register of CHPs
- Monitor compliance of CHPs with legislation

Business & Partnerships shall be responsible for:
- Working with CHPs to renew existing housing and to build new housing supply.
- Monitor compliance of CHPs against the master agreement.

Multi-Trade Contractors are contract managed by Maintenance Procurement.

Federal Government

The Fed Govt. provides grant funding and policy to DTF through the Federal Budget process.

The Fed Govt. provides grant funding and policy direct to CHPs (e.g. SDA funding)

Department of Treasury & Finance

DTF provides grant funding and policy to the SAHT Board through the State Budget process.
DTF pass grant funding from Fed Govt.

Referral Agencies*

Community Housing Providers

Multi-Trade Contractors

Multiple pathways

Multiple pathways

GOVERNANCE

Direct Reporting Line

Linkage

* Referral Agencies include DCP, DHS, DHW, Office of the Public Advocate, SAPOL, Homelessness Alliances, DASSA, RentRight SA and others
**Note, divisional teams are not exhaustive and have only been included where there is a direct linkage.

Figure 4-6: Existing Governance Arrangement as of 30 June 2021

4.1.6   The Changing Customer Needs

As defined in Section 4.1.4, placing the 'customer at the centre' of decision making is at the core of operating as a successful modern multi-provider system. Recognising and understanding the diverse circumstances and unique needs of both SA Housing Authority's current and future customers is imperative.

Amongst the extensive data that SA Housing Authority capture of its customers, to respond to national data collection and reporting requirements, specific data is captured as it relates to social housing, private rental assistance and homelessness customers. Analysis of these customers from 2017-18 to 2020-21 is described in the Sections below.

4.1.6.1   Social Housing in South Australia

In FY 2020-21, just over 80,000 South Australians (or 4.5% of the state's population) resided in social housing across approximately 46,370 dwellings state-wide, excluding residents of Indigenous Community Housing due to limitations in data (ABS Data, 2021). This reflects a reduction in total social housing stock over the Triennial Review window of approximately 1,060 dwellings, or 2.2%. In comparison, on a national scale, Australia's social housing stock appears to have remained relatively stable over the Triennial Review window, with an increase of approximately 670 dwellings, or 0.2% (RoGS, Productivity Commission, 2022).

There has been a considerable change in the proportion of social housing stock serviced by the four primary social housing programs over the Triennial Review window. This can be largely attributed to the transfer of management of a number of public housing stock to community housing in 2017–18 as part of the Public Housing Transfer Program (SAHT, 2018).

More specifically, the number of households in public housing decreased from approximately 37,300 as of 1 July 2017 to approximately 31,900 as at 30 June 2021. This is largely offset by an increase in community housing households from approximately 7,500 to 12,400 over the same period and represents a growth of 65.5% in the community housing sector (RoGS, Productivity Commission, 2022). It is noted as a proportion of all social housing dwellings, the proportion of Indigenous public housing and Indigenous community housing has remained relatively stable over the review window, as indicated in Figure 4-7.
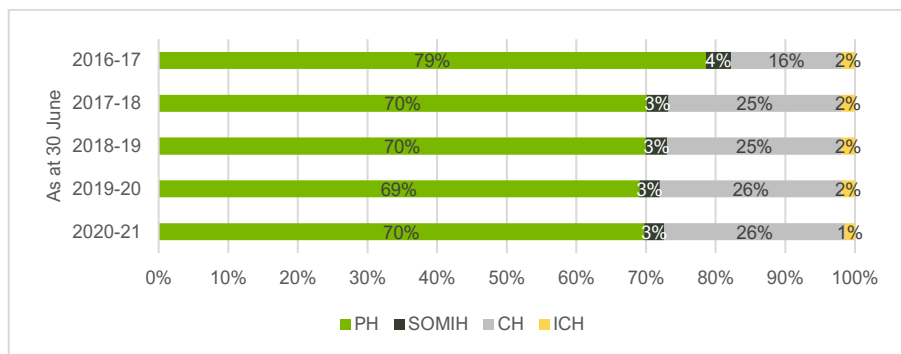
Figure 4-7: Social Housing Program Dwelling Composition - South Australia

The AIHW compile data on housing assistance in Australia annually, including considering the total number of households in social housing as a function of all households both at a state and national level. The latest *Housing Assistance in Australia* Report considers data from FY 2019-20. Consequently, the following section utilises FY 2019-20 data in its analysis in lieu of FY 2020-21 data which is currently in development.

As at 30 June 2020, households in social housing represented a proportion of 6.1% of all households in South Australia, housing just over 44,000 households (AIHW, 2021), (RoGS, Productivity Commission, 2022). This represents a decline from 6.7% in 2017 to 6.1% in 2020. At the same time, as a function of all Australian households, the proportion of households in social housing appears to have declined from 4.4% in 2017 to 4.2% in 2020 nationwide. While South Australia has a greater proportion of social housing households than its national counterparts (1.9% higher), it is acknowledged that South Australia has experienced a greater percentage decline in social housing dwellings

Noting the trends of decreasing housing affordability discussed in Section 3.7, the magnitude of social housing stock will be an important consideration.
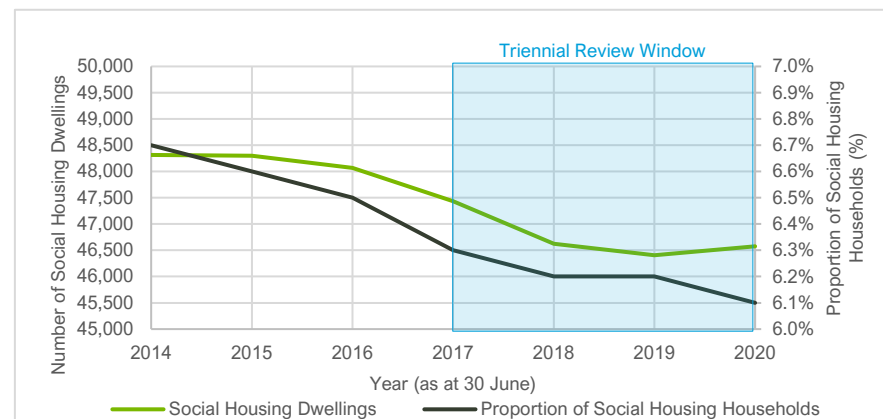
Figure 4-8: Social Housing Dwelling Growth – South Australia

Noting the above trends, the following sections investigate the changing demographics of social housing over the Triennial Review window from a state-wide context.

- Section 4.1.6.2 investigates the changing profile of the Public Housing customer.

- Section 4.1.6.3 investigates the changing profile of the State Owned and Managed Indigenous Housing customer.

- Section 4.1.6.4 investigates the changing profile of the Community Housing customer, in a social housing context.

Due to limitations in data captured as part of the RoGS and AIHW Indigenous Community Housing Data Collection, no detailed customer analysis has been able to be provided in consideration of households within Indigenous Community Housing.

4.1.6.2 Public Housing in South Australia

Throughout the 2020-21 financial year, SA Housing Authority housed approximately 33,000 tenancies in Public Housing. The characteristics of these tenancies are summarised in the dashboard presented in Figure 1-1 and below.

While there appears to be a reduction in the number of head tenants in public housing typically (largely associated with transfer of stock to community housing in 2017-18 and to a lesser extent in 2020-21), the following key themes with regards to the changing profile of the average Public Housing tenant were observed:

- **Ageing, Vulnerable Population**: Head tenants aged over 60 represent the largest proportion of Public Housing customers. The population appears to be increasing in vulnerability, evidenced through:

  - **Disability Status**: A significant proportion (43.9%) of households in Public Housing reported having a tenant experiencing a disability. This proportion was seen to increase over the Triennial Review period (an increase of 1.9%).

  - **Reliance on Commonwealth Support**: There is a high proportion of tenants in Public Housing receiving Commonwealth supports linked to limited expected future income from the labour market. This includes 35% of households with a known Disability Support Pension recipient and 28% of households with a known Aged Pension recipient in FY 2020-21.

  - **Extended Tenancy Length**: As a proportion, 23% of all existing head tenants have resided in Public Housing for over 20 years, an increase of 1.5% from FY 2017-18 to FY 2020-21. It is noted that the limited ability for current customers to gain potential future income through the labour market could be one contributing factor to customers remaining in Public Housing for extended lengths of time.

- **Increasing Profile of Single Households**: Single households represent the overwhelming majority of households residing in Public Housing, attributing to 80.9% as at 30 June 2021. This trend appears to be largely consistent over the review period.

- **Waitlist to Allocations**: Allocations attributed to homeless tenants in PH increased over the Triennial Review window from 59% in FY 2017-18 to 75% in FY 2020-21. This significant proportion of demonstrates alignment with the identification of homeless customers as a priority cohort within the NHHA.

It is noted that the above observations are consistent with the changing profile of the average social housing tenant identified in the *2018 South Australian Housing Trust Triennial Review* (PwC, 2018).

While the above observations have been made with regards to the characteristics of tenancies within PH, it is important to consider data of the broader social housing system (refer Report) in order to holistically ascertain trends. This is of particular importance noting the transfer of property and tenancy management of 4,270 properties to community housing over the Triennial Review window.

Refer to Appendix E for a detailed analysis which informed the above commentary.

Figure 4-9: Characteristics of PH Households throughout FY 2020-21

4.1.6.3   State Owned and Managed Indigenous Housing in South Australia

Throughout the 2020-21 financial year, SA Housing Authority housed approximately 1,400 tenancies in State Owned and Managed Indigenous Housing. The characteristics of these tenancies are summarised in the dashboard presented in Figure 4-10 and below.

While there appears to be a reduction in the number of head tenants in SOMIH typically (largely associated with transfer of stock to community housing in 2017-18 and to a lesser extent in 2020-21), the following key themes with regards to the changing profile of the average SOMIH tenant were observed:

- **Ageing, Vulnerable Population**: Over the Triennial Review window, there appeared to be a notable increase in the percentage of head tenants aged over 50 (by 3.8%), accounting for 53.2% of all head tenants in FY 2020-21.

  - **Reliance on Commonwealth Support**: The Newstart allowance, Disability Support Pension and Age Pension appear to be the most common source of Commonwealth support received by tenants over the Triennial Review window. Receipt of the Disability Support Pension and Age Pension can be linked to limited expected future income from the labour market. The proportion of households with a known Disability Support Pension recipient has largely remained constant over the review period at approximately 23%. Similarly, the proportion of households with a known Age Pension recipient has increased marginally over the review window (1%), accounting for approximately 12%.

  - **Extended Tenancy Length**: As a proportion, 17% of all existing head tenants have resided in SOMIH for over 20 years, an increase of 2.3% from FY 2017-18 to FY 2020-21. It is noted that the limited ability for current customers to gain potential future income through the labour market could be one contributing factor to customers remaining in SOMIH for extended lengths of time.

  - **Increasing Profile of Single Households**: In a similar manner to PH, single as at 30 June 2021 households represent the overwhelming majority of households residing in SOMIH, attributing to 73.3% .

- **Waitlist to Allocations**: Allocations attributed to homeless tenants in SOMIH increased over the Triennial Review window from 43% in FY 2017-18 to 83% in FY 2020-21. This significant proportion of demonstrates alignment with the identification of homeless customers as a priority cohort within the NHHA.

While the above observations have been made with regards to the characteristics of tenancies within SOMIH, it is important to consider data of the broader social housing system (refer Report) in order to holistically ascertain trends. This is of particular importance noting the transfer of property and tenancy management of 4,270 properties to community housing over the Triennial Review window.

Refer to Appendix E for a detailed analysis which informed the above commentary.

Figure 4-10: Characteristics of SOMIH Households throughout FY 2020-21

4.1.6.4   Community Housing (Social Housing Context) in South Australia

The characteristics of Community Housing tenancies are summarised in the dashboard presented in Figure 4-11 and below.

The transfer of stock to community housing over the Triennial Review period has seen an increase in the number of head tenants in Community Housing typically. Noting this change in cohort size, the following key themes with regards to the changing profile of the average Community Housing tenant was observed. It is noted that:

- **Ageing Population**: Head tenants aged over 60 represent the largest proportion of Community Housing customers. Over the Triennial Review window, there has been a small increase of in the percentage of head tenants aged 60 or over (by 0.8%).

- **Increasing Profile of Single Households**: Single or single parent households represent the overwhelming majority of households residing in Community Housing, attributing for 62% of all households in FY 2020-21. This reflects a small increase of 0.8% over the Triennial Review window.

While the above observations have been made with regards to the characteristics of tenancies within Community Housing, it is important to consider data of the broader social housing system in order to holistically ascertain trends. The sections below discuss the changing profile of the Community Housing tenant over the Triennial Review window.

Refer to Appendix E for a detailed analysis which informed the above commentary.

Figure 4-11: Characteristics of CH Households throughout FY 2020-21

4.1.6.5 Private Rental Assistance in South Australia

The Private Rental Assistance Program (PRAP) is a program provided by SA Housing Authority to assist South Australians financially within the private rental market. This program is targeted at customers seeking financial support due to difficulty meeting the upfront costs associated with renting privately and requiring assistance to maintain their accommodation.

Through the 2020-21 financial year, 10,371 applicants were assisted through the PRAP. Figure 4-12 presents a dashboard outlining key characteristics of PRAP applicants who received assistance within this financial year. The following key themes were observed with respect to the changing customer profile in the PRAP from FY 2017-18 to FY 2020-21:

- **Decreasing Assisted Applicants**: Despite no change in policy, a significant decrease in the total number of applicants assisted through the Private Rental Assistance Program was observed over the review period from 16,871 unique applicants in FY 2017-18 to 10,371 unique applicants in FY 2020-21. This represents a reduction from FY 2017-18 figures of approximately 39%.

- **Ageing Profile**: While the total number of applicants appears to have decreased year on year, the proportion of applicants aged over 50 years increased from 16% in FY 2017-18 to 18% in FY 2020-21. While 18-29 year olds represented the majority of applicants in FY 2020-21 (37%), this was a reduction from 42% in FY 2017-18.

- **Increase in Newstart Allowance Income Type**: As a function of all customers receiving private rental assistance, the proportion of customers reporting JobSeeker payment (formerly Newstart Allowance) as the primary source of income increased from 20% in FY 2017-18 to 24% in FY 2020-21.

Separate to the changing customer profile, the following observations were made in consideration of the broader private rental market, as acknowledged in Section 3.7.4 and summarised below.

- **Increasing Median Weekly Residential Rental Price**: From 30 June 2017 to 30 June 2021, the median weekly residential rental price in metropolitan Adelaide increased from $320 per week to $370 per week, reflecting an increase of 16%. The median weekly residential rental across the rest of the state increased from $250 to $285 per week, reflecting a 14% increase (Data SA, 2022).

- **Decreasing Vacancy Rates**: Analysis undertaken by SQM Research indicates that residential vacancy rates appear to have declined over the Triennial Review window from 1.8% in June 2017 to 0.6% in June 2021 (SQM Research, 2022). This is lower than the national average of 1.7%, as identified in Section 3.7.3.

Refer to Appendix E for a detailed analysis which informed the above commentary.
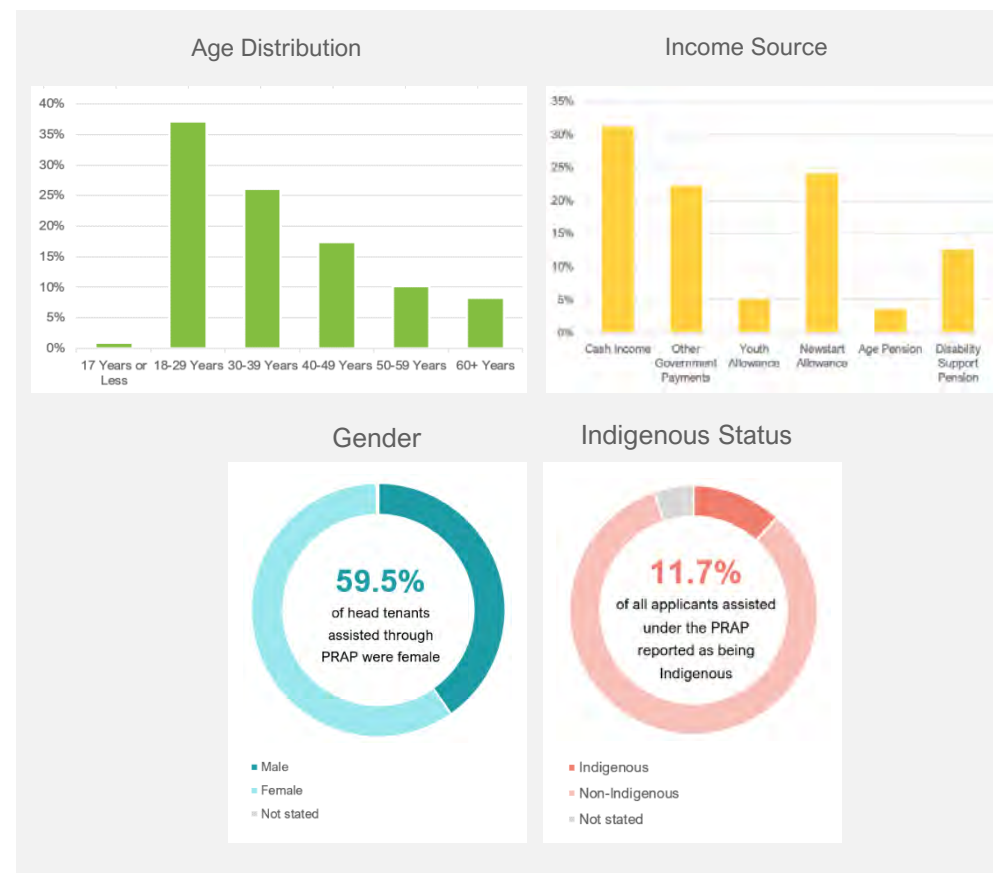
Figure 4-12: Characteristics of PRAP Assisted Applicants Throughout FY 2020-21

4.1.6.6   Homelessness Services in South Australia

Across the review period, the number of clients receiving support through Specialist Homelessness Services decreased slightly from 21,402 in FY 2017-18 to 20,573 in FY 2020-21 (Homeless2Home, 2020-21). This decrease is also reflected within the Report on Government Services data within Specialist Homelessness Services Annual Reports similarly showing a downward trend in the number of homeless people or people at risk of becoming homeless in this timeframe (AIHW, 2021). Despite this slight decrease, many client demographics and characteristics of the homeless cohort have remained constant over this time period, including the age profile, agency locations and the agencies used as the entry point into the homelessness system.

Homelessness services make up a significant portion of SA Housing Authority's service offerings. The Homelessness2Home (H2H) system is the primary data collection system for these Specialist Homelessness Services (SHS), providing information for SA Housing Authority to report to the Australian Institute of Health and Wellbeing (AIHW). The system allows agencies to electronically record client circumstances, client assistance provided and outcomes. The Homelessness Alliances are required to use the H2H system for data capture and case management. (Alliance Management Framework).

H2H data provided by SA Housing Authority gives a view of the homeless cohort across the review period. Figure 4-13, provides a summary dashboard of the characteristics of the homeless cohort in FY 2020-21. The following key themes were observed with respect to the changing customer profile receiving homelessness services in South Australia from FY 2017-18 to FY 2020-21:

- **Largely Consistent Cohort Profile**: Cohort profiles, such as age, agency locations and the agencies used as the entry point into the homelessness system have remained largely consistent over the review window within H2H data.

- **Proportion of Repeat Clients Increasing**: Within the homeless cohort, the proportion of customers that reported as multiple, repeat intakes increased year on year from 54% in FY 2017-18 to 60% in FY 2020-21 (Homeless2Home, 2020-21).

- **Length of Support Increasing**: Across the cohort, the length of support required per client also increased. The overall effect of this trend caused the average length of a completed Sector Support Period to rise from 116 days in 2017-18 to 131 days in 2020-21 (Homeless2Home, 2020-21).

Refer to Appendix E for a detailed analysis which informed the above commentary.
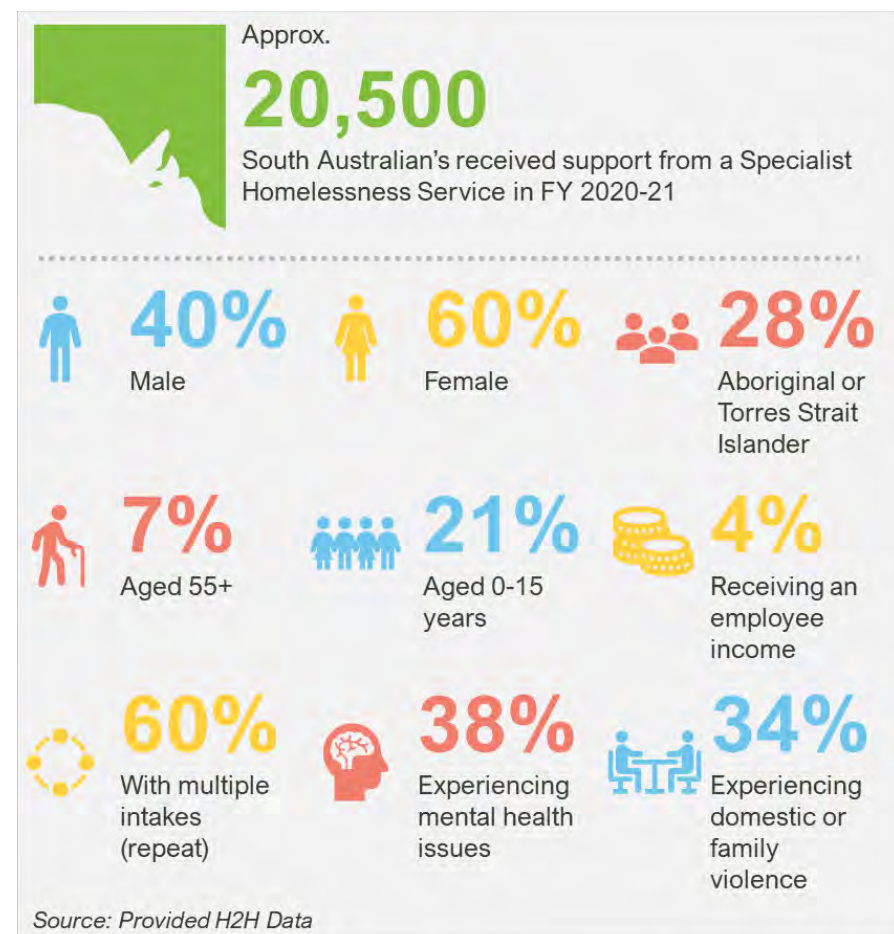
Figure 4-13: Characteristics of the Homeless Cohort Throughout FY 2020-21

4.1.7 SA Housing Authority and the Broader Social Housing System's Alignment to the Characteristics of a Modern Multi-Provider System

4.1.7.1 Analysis Methodology

Noting the profile of the changing customer, in order to determine SA Housing Authority and broader social housing system's alignment to the characteristics of a modern multi-provider system, a review of SA Housing Authority's existing governance arrangements was undertaken in consideration of its enabling legislation, operating model and organisational structure, per Figure 4-14 below.

LEGISLATION
- *South Australian Housing Trust Act 2015*
- *Community Housing Providers (National Law) (South Australia) Act 2013*

OPERATING MODEL
- *South Australian Housing Trust Act 2015*
- *(Similar to a South Australian Government owned Public Corporation (or subsidiary) under the Public Corporations Act 1993 (SA)*

ORGANISATIONAL STRUCTURE
- SA Housing Authority Executive Team organisational structures
- Executive Director role descriptions

Figure 4-14: Key Documentation to Assess Governance Arrangements

Additionally, feedback received from stakeholder consultations also informed the assessment.

4.1.7.2 Jurisdictional Comparison of Governance Arrangements

While state and territory governments are primarily responsible for the delivery of housing and homelessness services, it is acknowledged that there are also federal commitments such as the NHHA (Australian Government, Department of Social Services, 2020).

Noting the synergies between the operations of different state and territory governments, Table 4-5 summarises the different structures in several Australian jurisdictions at a high-level.

Table 4-5: Jurisdictional Comparison – Governance Arrangements

Jurisdiction	Commentary	
Victoria	Legislation:	Housing Act 1983
	Operating Model:	Public Non-Financial Corporation

- Previously, the Director of Housing entity was a public non-financial corporation that was incorporated within financial reporting for the Department of Health and Human Services (DHHS). As of 1 February 2021, the Department of Health and Human Services (DHHS) was separated into two new departments: The Department of Health (DH) and Department of Families, Fairness and Housing (DFFH).
- The former Director of Housing is now known as Homes Victoria, a public non-financial corporation established in November 2020 (State Government of Victoria, 2020). It maintains the existing responsibilities of the Director of Housing per the *Housing Act 1983*, including being the landlord for Victoria's public housing (State Government of Victoria, 2021). The Chief Executive Officer (CEO) of Homes Victoria reports to the Secretary of the DFFH.
- Homes Victoria established an Advisory Board under Section 8 of the Housing Act 1983. As a non-binding advisory body, the Board has no formal decision-making, nor does it own motion powers or responsibilities over policy, service delivery or public funds. However, it exists to provide advice to the Minister for Housing on matters such as:
  - The strategic direction of Homes Victoria.
  - The commercial approaches to funding models and policies.
  - Sector risks and mitigants (State Government of Victoria, 2021).

Jurisdiction	Commentary	
Queensland	Legislation:	Housing Act 2003
	Operating Model:	General Government (QLD) Department

- The Housing Act 2003 provides an accountable system for the delivery of housing and housing-related services within Queensland. Formerly administered through the Department of Housing and Public Works, the department was renamed to the Department of Communities, Housing and Digital Economy (DCHDE) in 2020 due to machinery of government changes. Consequently, the Housing Act 2003 is now administered by Housing and Homelessness Services within DCHDE, one of the six divisions it is composed of (Queensland Government, 2021).
- Under the Housing Act 2003, the Chief Executive (i.e. the Director-General) is responsible for using the Queensland Housing Fund and portfolio property in ways that best achieve the objects of this Act. This includes but is not limited to:
  - Providing public housing.
  - Providing grants, loans, land or assistance to those in need of housing services.
  - Entities providing housing services.
  - Entities providing housing for their employees or contractors (State of Queensland, 2020).
- The Director-General reports to the Minister for Communities and Housing and is supported by the Deputy Director-General for Housing and Homelessness Services (Department of Communities, Housing and Digital Economy, 2021).

GOVERNANCE

Jurisdiction	Commentary	
New South Wales	**Legislation:**	Housing Act 2001, Aboriginal Housing Act 1998
	Operating Model:	General Government (NSW) Department
	▪ The NSW Land and Housing Corporation (LAHC) is responsible for the NSW Government's social housing stock, tenancy management and waitlist. LAHC is a statutory body established in 2001 under the Housing Act 2001 and operates under portfolio and direction of the NSW Department of Planning, Industry and Environment. Its principal objective is to manage the state's housing portfolio on behalf of the NSW Government. The Aboriginal Housing Office is a statutory authority established in 1998 pursuant to the Aboriginal Housing Act 1998 and is responsible for planning and administering the policies, programs and asset base for Aboriginal public housing in NSW. From 1 July 2019, both the Land and Housing Corporation and Aboriginal Housing Office became a member of the former Department of Planning, Industry and Environment (now known as the Department of Planning and Environment) cluster of government agencies, but is not controlled by the Department for financial reporting purposes (NSW Government, Department for Planning, Industry and Environment, 2020).	
	▪ The Department of Communities and Justice (DCJ) was formed in July 2019 following changes in the NSW Government that brought together the former Department of Family and Community Services and former Department of Justice. The Department of Communities and Justice (DCJ) is the lead agency in the Stronger Communities Cluster, which brings together NSW Government services aimed at achieving safe, just, inclusive and resilient communities. This includes working with the community, non-government partners and other agencies to improve outcomes for people experiencing or at risk of homelessness and people in need of safe and affordable housing (Department of Communities and Justice, 2021).	
	▪ LAHC and the NSW Department of Communities and Justice work together to achieve a unified administration of the Act (NSW Government, Department for Planning, Industry & Environment, 2022).	
Western Australia	**Legislation:**	Housing Act 1980
	Operating Model:	Public Non-Financial Corporation
	▪ The Department of Communities was established on 1 July 2017 under the Public Sector Management Act 1994. At the creation of the Department of Communities, the Disability Services Commission and the Housing Authority joined the new Department.	
	▪ The Housing Authority is a statutory authority established under the Housing Act 1980 to provide and improve housing and accommodation in Western Australia.	
	▪ The positions of Chief Executive Officer of the Housing Authority and Director General of the Department of Communities are held by the same officer. The Chief Executive Officer uses the resources of the Department of Communities to perform the Housing Authority's functions. The Housing Authority and the legislation administered are the responsibility of the Minister for Housing (Government of WA Department of Communites, 2021).	

While governance arrangements in each state vary to a degree, it is apparent that each identified jurisdiction operates in accordance with a State Act, in a similar manner to South Australia.

4.1.7.3 SA Housing Authority's Legislation and its Alignment to a Modern Multi-Provider System

A traffic light assessment was utilised to visually analyse the extent in which the SAHT Act **enables** SA Housing Authority to successfully operate in alignment with the characteristics of a modern multi-provider system identified in Section 4.1.4. An assessment was made in consideration of all attributes which define the characteristic, as identified in Figure 4-3.

Relevant clauses from the SAHT Act have been specifically extracted to validate this assessment. Definitions of the rating system adopted are detailed in Table 4-6.

Table 4-6: Traffic Light Assessment Rating Definitions (Level of Enablement)

Rating	Level of Enablement Definition
Enables	**Drives** SA Housing Authority's ability to operate in alignment with the **characteristic** through **linked commentary**.
Partially Enables	**Does not** appear to **hinder** SA Housing Authority's ability to demonstrate the **characteristic** though includes **limited/no commentary** to its effect.
Hinders	Appears to **limit** the ability to demonstrate the **characteristic.**

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Table 4-7 presents a summary of the traffic light assessment.

Table 4-7: The Extent in which Legislation Enables SA Housing Authority to Deliver the Key Characteristics of a Modern Multi-Provider System

Item	Characteristics	Overall score	Attribute			
1	**Customer at the Centre** Placing the customer at the centre of all decision making	🟡 (amber)	Recognition and understanding of the diverse circumstances and unique needs of each person *(green)*	Streamlines and empowers a customer's housing or homelessness journey *(green)*	Enables a customer to successfully transition from the system and break the cycle of readmission *(green)*	Early intervention of vulnerable customers with a preventative focus *(amber)*
2	**Outcome Focused** Pursuit of customer outcomes at a system-level	🟡 (amber)	Alignment and implementation of provider vision and strategy at a system level *(amber)*	A delivery model that enables the ability to flexibly integrate and respond to changing needs of the customer *(amber)*	Consistency in performance indicators and reporting across sector *(amber)*	
3	**Integrated** Harmonisation between government, department and providers at multiple levels to holistically respond to customer needs	🟡 (amber)	Consistent definition and approach to diverse customer needs *(amber)*	Sharing information consistently and transparently to better enhance or identify services for a customer's unique needs *(green)*	Robust allocation of services across multiple levels to meet unique needs of the customer (i.e. matching capability to the required need) *(amber)*	
4	**Tailored Services** Matching the unique need of a customer to services	🟡 (amber)	Responsive to the current and changing needs of the customer *(green)*	Provide culturally sensitive services *(amber)*	Provide pathways which enable customer to gain entry across the housing continuum *(green)*	Delivery of services which contribute to sustainable, inclusive and thriving communities *(amber)*
5	**Flexible and Agile** Ability to adapt and effectively respond to a changing environment	🟡 (amber)	Seamless housing and homelessness services that are enabled by appropriate systems and processes *(green)*	Shared understanding and definition, responsibilities and accountabilities across the sector (at multiple levels) that enables agile decision making *(amber)*		
6	**Financial Sustainability** Sustainably providing services through the focused and effective use of financial resources	🟡 (amber)	Strategic allocation of income between services, aligned to the system-level outcome *(amber)*	Optimise asset lifecycle and portfolio to meet future tenant needs *(amber)*	Policies aligned to financial drivers N/A – policies not assessed	Responsive to Commonwealth and state funding and policy reform *(amber)*
7	**Fostering development** Assist continual growth and development of the sector	🟡 (amber)	Educates and increases awareness to build sector services *(amber)*	Promotes and demonstrates cross-pollination of knowledge and learnings that builds sector capability *(amber)*	Encourages diverse thinking and pursuit of continuous improvement and innovation *(amber)*	Enables new partnerships that strengthen system-level outcomes *(green)*

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Following this assessment, the following key themes were observed:

- **Homelessness**: Homelessness is often addressed separately to housing in literature due to the specialist nature of services required and differing performance measures to assess the equity, efficiency and effectiveness of its services. While the Act makes no specific reference to providing homelessness services, use of generic language such as "housing outcomes" could be interpreted to include homelessness as this reflects clients with the most extreme housing need across the housing continuum.

  Section 5 (1c) - The functions of the SAHT include to facilitate support for South Australians so as to increase their ability to achieve successful housing outcomes.

  Source: (Government of South Australia, 2015)

- **Operating as a Modern Multi-Provider System**: The SAHT Act appears to be reasonably broad in nature, enabling SA Housing Authority to operate in alignment with each characteristic to some extent, although does not mandate this. The Act is also sufficiently broad enough to enable a range of functions to be undertaken at the discretion of the SAHT or where not conferred on the SAHT, at the direction of the Minister. This enables SA Housing Authority to flexibly respond generally to changing conditions such as (but not limited to):

  - Changing political climates due to a change in government priority and/or change in government.

  - Changing policies and/or strategic direction.

  - Changing priorities as a result of a change in market demand and customer profile.

  - Changing commitments facilitated through other agreements (e.g. the NHHA).

- **Level of Enablement**: SA Housing Authority's enabling legislation appears to drive key characteristics to varying degrees. Prescribed commentary within the Act appears to be most aligned to the *Customer at the Centre* characteristic with a strong focus on meeting the needs of its clients, through language such as:

  Section 5 (1c) - The functions of the SAHT include to facilitate support for South Australians so as to increase their ability to achieve successful housing outcomes.
  Section 5 (3a) The SAHT should provide affordable, secure and appropriate housing that meets the needs of its clients.

  Source: (Government of South Australia, 2015)

- **Financial Agility**: It is noted that provision of financial assistance is generally subject to the approval of the Treasurer, as evidenced by the following commentary within Section 7 of the Act:

  Section 7 (1) The functions of the SAHT include –

  (k) Provide financial, and other assistance in the public, private and community housing sectors, subject to the qualification that the provision of financial assistance will be subject to the approval of the Treasurer.

  Source: (Government of South Australia, 2015)

  However, it is acknowledged that Cabinet considers major policy initiatives and matters of strategic importance, including significant financial expenditure. Consequently, the ability for SA Housing

Authority to be financially sustainable and provide services through the focused and effective use of financial resources may be subject to public policies, priorities, commitments and budget constraints.

4.1.7.4 The CHP's Legislation and its Alignment to a Modern Multi-Provider System

A qualitative assessment of the CHPs enabling legislation *Community Housing Providers (National Law) (South Australia) Act 2013* was undertaken to identify any limitations in its ability to enable SA Housing Authority to deliver the key characteristics of a modern multi-provider system.

As defined within the *Community Housing Providers (National Law) (South Australia) Act 2013*, the functions of the SAHT include:

to assist the Minister in connection with the administration of this Act and to exercise statutory powers conferred by this Act.

to report to the Minister, on its own initiative or when requested to do so by the Minister, on any matter relating to community housing providers.

to manage funds that come under SAHT's control in connection with the operation of this Act.

to liaise with other government agencies or instrumentalities that provide assistance or services to community housing providers, or that are otherwise involved in the housing sector.

to perform other functions assigned to SAHT by or under this Act or by the Minister

Source: (Government of South Australia, 2016)

Noting the functions of the SAHT per the Act, the following key themes were observed:

- **Operating as a Modern Multi-Provider System**: The Community Housing Providers (National Law) (South Australia) Act appears to be relatively broad, enabling CHPs to operate in alignment with each characteristic to some extent, although does not mandate this. The CHP Act empowers the SAHT to enter into a community housing agreement with registered CHPs and may contain such terms and conditions as SAHT considers appropriate and without limitation. This may include provisions with respect to:

  "requiring the community housing provider to meet specified standards and targets…"

  Source: (Government of South Australia, 2016)

- **Financial Agility**: The ability for CHPs to grow is limited where the SAHT own properties and CHPs are solely responsible for management of the properties. This may limit the ability for CHPs to leverage its assets to grow.

  As the SAHT maintain a level of control of the operations of CHPs through its enabling legislation and master agreement, the Community Housing Providers (National Law) (South Australia) Act is understood to **partially enable** CHPs to operate in alignment with characteristics of a modern multi-provider system

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4.1.7.5 SA Housing Authority's Operating Model and its Alignment to a Modern Multi-Provider System

A qualitative assessment of SA Housing Authority's operating model (as of 30 June 2021) was undertaken to identify any limitations in its ability to **enable** SA Housing Authority to deliver the key characteristics of a modern multi-provider system. The sections below summarise the outcomes of the assessment.

As described in Section 4.1.5.2, SA Housing Authority's operating model is mandated by the SAHT Act. As per Section 8 of the Act, the SAHT is subject to the control and direction of the Minister for Human Services. The SAHT Board of is responsible to the Minister for overseeing the operations of the Trust with the objective of ensuring the sound administration of the Act and the implementation of the Minister's housing policies and plans. Goals as stipulated within Section 16 of the Act include:

> *Section 16 (1a) achieving continuing improvements in the provision of secure and affordable public housing.*
>
> *Section 16 (1b) providing transparency and value in managing the resources available to SAHT and meeting Government and community expectations as to probity and accountability.*
>
> *Section 16 (1c) achieving appropriate social justice objectives and the fulfilment of SAHT's community service obligations.*
>
> *Source: (Government of South Australia, 2015)*

The existence of a board with specific powers conferred on the Trust under the SAHT Act allows the preservation of autonomy and business operation to some extent. However, while there is a level of autonomy, the board is ultimately responsible to the Minister and as such, use of a Public Corporation operating model (or similar) may be susceptible to changing public policies, priorities, commitments and budget constraints, in alignment with the assessment undertaken within Section 4.1.7.3

It is noted that the level of government influence within the Public Corporation operating model (or similar) has potential to encourage a good level of alignment and "*Integration*" between departments/agencies through use of existing communication channels and governance arrangements at a ministerial level. Section 5 of the Act also articulates the statutory obligation of the Trust to ensure that consultative arrangements are established with organisations who have an interest in the housing sector which acknowledges the importance of integration.

> *Section 5 (5) In addition, in conducting its affairs, SAHT must establish consultative arrangements with groups and organisations with an interest in the housing sector, including (but not limited to) groups or organisations that represent the interests of tenants or providers of community or Aboriginal housing.*
>
> *Source: (Government of South Australia, 2015)*

Noting the above, SA Housing Authority's existing operating model has been generally assessed to **partially enable** all key characteristics of a modern multi-provider system.

4.1.7.6 SA Housing Authority's Organisational Structure and its Alignment to a Modern Multi-Provider System

The SAHT Act stipulates general management duties of the board including responsibilities as it relates to the establishment of appropriate management structures. More specifically, Section 16 of the Act stipulates that the board must ensure as far as practicable:

> *Section 16 (2a) that appropriate strategic and operational plans and targets are established.*
>
> *Section 16 (2b) that SAHT (and any subsidiary) have appropriate management structures and systems for monitoring management performance against plans and targets and that corrective action is taken when necessary.*
>
> *Section 16 (2c) that appropriate systems and practices are established for management and financial planning and control, including systems and practices for the maintenance of accurate and comprehensive records of all transactions, assets and liabilities and physical and human resources of SAHT (and any subsidiary).*
>
> *Section 16 (2d) that all such plans, targets, structures, systems and practices are regularly reviewed and revised as necessary to address changing circumstance and reflect best current commercial practices.*
>
> *Source: (Government of South Australia, 2015)*

Noting the above statutory requirements and as addressed in Section 4.1.5.3, SA Housing Authority's management or "organisational structure" has evolved since its establishment in 2018, to respond to the agency's increasing maturity along its transformation timeline. As of 30 June 2021, SA Housing Authority is comprised of the following seven (7) executive teams (or divisions) who report to the Chief Executive:

- Customer & Services.
- Strategy & Governance.
- Aboriginal Housing Strategy & Governance.
- Portfolio Planning & Asset Management.
- People & Safety.
- Finance & Investment.
- Office for Homelessness Sector Integration.

Figure 4-15 outlines SA Housing Authority's organisational structure, current to 30 June 2021.

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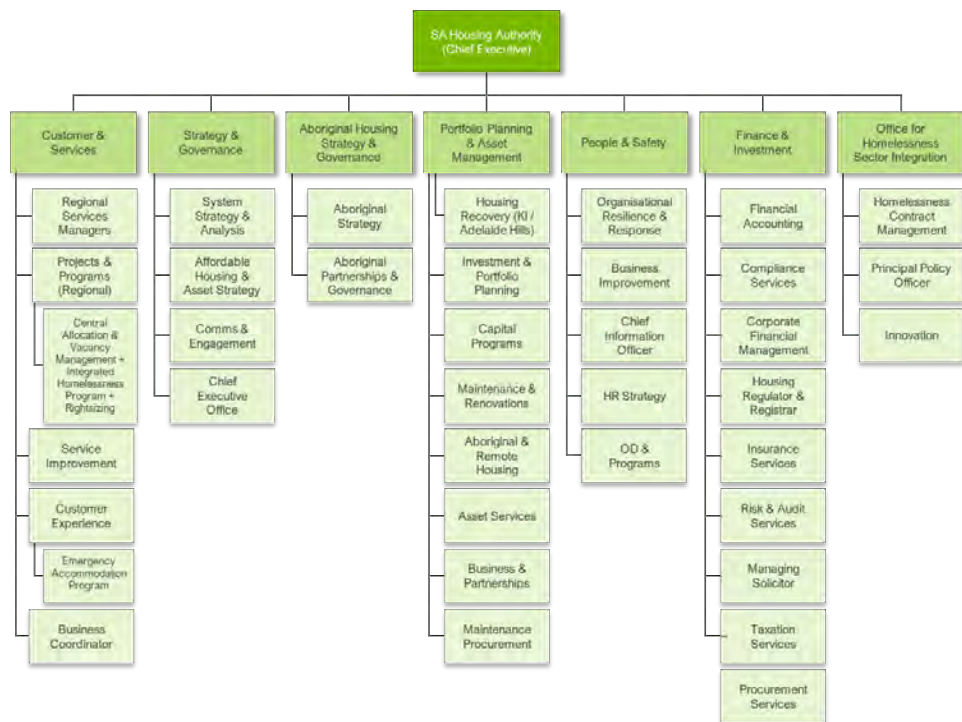
Figure 4-15: SA Housing Authority Organisational Structure (current to 30 June 2021)

A traffic light assessment was utilised to assess the extent in which SA Housing Authority's organisational structure enables SA Housing Authority to successfully operate in alignment with the characteristics of a modern multi-provider system identified in Section 4.1.4. In addition to the above organisational structure, executive team role descriptions have been utilised to inform the assessment. A similar rating system to that presented in Table 4-6 was utilised to assess the extent in which SA Housing Authority's organisational structure enables SA Housing Authority to deliver each of the key characteristics of a modern multi-provider system.

While SA Housing Authority may be enabled to operate in alignment with a particular characteristic, SA Housing Authority's real-time performance can only be attributed to the manner in which it demonstrates these key characteristics. Consequently, a traffic light assessment was also created to gauge the extent in which SA Housing Authority's organisational structure demonstrates the key characteristics of a modern multi-provider system, as evidenced by stakeholder consultations. Noting the above two-pronged assessment approach, Table 4-8 defines the definitions of the rating system adopted when assessing the level of demonstration.

Table 4-8: Traffic Light Assessment Rating Definitions (Level of Demonstration)

Rating	Level of Demonstration Definition
Demonstrates	**Fully demonstrates** the characteristic.
Partially Demonstrates	**Partially demonstrates** the characteristic.
Limited Demonstration	**Demonstrates** the characteristic to a **limited** or **no extent**.

Table 4-9 presents a summary of the results and highlights that SA Housing Authority partially demonstrates all key characteristics of a modern multi-provider system. Evidence of additional initiatives were also presented and while not in place in consideration of the temporal scope of the Triennial Review, demonstrates SA Housing Authority's increasing maturity in line with its transformation timeline, noting that it is a newly established organisation. Commentary which informed the assessment is summarised on the following pages.

Table 4-9: The Extent in which SA Housing Authority's Organisational Structure Enables and Demonstrates the Key Characteristics of a Modern Multi-Provider System

Item	Characteristics	Level of Enablement	Level of Demonstration
1	**Customer at Centre**	🟩	🟧
2	**Outcome Focused**	🟩	🟧
3	**Integrated**	🟧	
4	**Tailored Services**	🟩	🟧
5	**Flexible and Agile**	🟧	
6	**Financial Sustainability**	🟧	
7	**Fostering Development**	🟧	

Customer at Centre

Within SA Housing Authority's overarching organisational structure, the following dedicated teams have been established, responsible for the operational delivery of housing and homelessness services to SA Housing Authority's customers:

- **Customer and Services Division:** Responsible for the execution and operational delivery of SA Housing Authority's housing and tenant management agenda to a diverse customer base (i.e. as relevant to social housing and affordable housing).

The role description of the Executive Director (ED), Customers and Services emphasises the delivery of customer-focused services and addresses the need to identify customer needs to feed into strategy and program design, in alignment with the definition of placing the 'customer at the centre' (refer below).

*"The ED will deliver a **customer-focused** state-wide housing service that **meets customer needs**."*

*"The ED role works across SA Housing Authority, ensuring that housing and tenant management is executed in practice and that **customer needs are identified** and **feed into strategy** and **program design**."*

Source: SA Housing Authority role descriptions

- **Office of the Homelessness Sector Integration Division:** Responsible for the execution of functions necessary to transform homelessness initiatives and activities in place across South Australia.

The role description of the Head of Homelessness Sector Integration places importance on streamlining a customer's housing journey through discussion on transitioning to affordable housing and engaging with key stakeholders (refer below).

"Implementation of an inclusive and partnership-based approach that canvasses the homelessness system holistically with the aim to address barriers and gaps within the current housing eco-system. Such a deliverable will embrace transitioning to affordable housing, emergency accommodation, and extreme weather impacts on the homeless.

*"The Head will work broadly across the state, engaging with key stakeholders to transform the current service model and **feed into strategy and program design**."*

Source: SA Housing Authority role descriptions

Enabling the above divisions is the **Strategy and Governance Division** who is responsible for setting SA Housing Authority's strategic direction, program design and governance, ensuring alignment to customer service and business delivery.

*"The ED role works across SA Housing Authority, ensuring that **strategy** and **program design** are inherently **connected** and **aligned** to business transformation, organisational culture, program implementation, **customer service** and **business delivery**."*

Source: SA Housing Authority role descriptions

- Likewise, the **Aboriginal Housing Division** is responsible for the development and implementation of the Aboriginal Housing Strategy and the Reconciliation Action Plan, ensuring that the housing sector reflects the needs of all Aboriginal South Australians.

*"The Directorate engages Aboriginal communities and works in partnership with government and other relevant organisations to create a **housing sector** that **reflects** the **needs**, **aspirations** and **interests** of all Aboriginal South Australians".*

Customer at the Centre

Noting the commentary within role descriptions of its divisions, SA Housing Authority's organisational structure has been recognised to **enable** the *Customer at the Centre* characteristic.

While SA Housing Authority's organisational structure has been recognised to highly enable the *Customer at the Centre* characteristic, SA Housing Authority has been understood to **partially demonstrate** the *Customer at the Centre* characteristic based on the following feedback received during Stakeholder Consultations:

Despite SA Housing Authority's aspirations to put the 'customer at the centre' of decision-making, service provision and planning, as articulated within *Our Housing Future 2020-2030*, SA Housing Authority has no formal definition of 'customer at the centre'. While an understanding of priority cohorts exists with respect to priority homeless cohorts as defined in the NHHA (Australian Government, Department of Social Services, 2022) and priority population groups as defined by the AIHW (AIHW, 2018), there is limited clarity on priority cohorts at an organisational level within housing priority policy areas, as identified in stakeholder consultations.

In the absence of a universal definition at an organisational level, divisions within SA Housing Authority are understood to approach customers in a compartmentalised manner.

Outcome Focused

The social housing sector is a complex and data intensive sector. Thus, it is important that the right data is captured and made available to all stakeholders in a timely and consistent manner in order to inform individual provider and sector-wide performance. A focus on customer outcomes at a system-level, coupled with the ability to measure them in a meaningful way presents a range of benefits, including the ability to assess the effectiveness of programs, services and use of funding.

As defined within the role description provided by SA Housing Authority, the Strategy and Governance division is responsible for:

*"Leading the identification and design of strategies and programs which support government and non-government agencies to work together to **achieve improved outcomes** in housing across South Australia."*

Source: SA Housing Authority role descriptions

The *Strategy and Governance* division is also responsible for:

- Developing annual business plans which translates the overarching strategy into annual priorities, including the development of key performance indicators (KPIs) to measure progress.

- Overseeing functions that coordinate state-based and national data.

However, it is acknowledged that responsibility for improving service performance and reporting outcomes sits with the responsible division (e.g. *Customer and Services* division as it relates to housing and tenancy management).

Noting the above, SA Housing Authority appears to have established the appropriate division (i.e. the Strategy and Governance division) to lead the design of strategies/programs and translate into an outcome focus. Consequently, SA Housing Authority's organisational structure is understood to **enable** the *Outcome Focused* characteristic.

Outcome Focused

Currently, there is lack of a nationally consistent data set and outcome focused performance metric across jurisdictions and agencies to assess individual provider and sector performance. A review of the national performance indicator framework mandated through the National Housing and Homelessness Agreement appears to be largely output focused as opposed to outcome focused, (refer to Section 5 for more information).

In response to this, the Federal Department for Social Services is leading the development of a housing and homelessness data improvement plan with states, territories and Commonwealth agencies, through the Housing and Homelessness Data Working Group (HHDWG) to ensure housing outcomes can be reliably measured in the future and government funds can be directed to the most effective measures (Department of Social Services, 2019).

At a state-level, the following observations were made:

- The objectives (including KPIs) presented within SA Housing Authority's strategic documents appear to be largely output focused as opposed to outcome focused.

- There appears to be limitations in the quantifiable data available to assess progress against key actions within the Strategy in an evidence-based and data-driven manner.

- An outcomes framework is currently being co-created by the Homelessness Alliances, however implementation of this falls outside of the Triennial Review window.

- SA Housing Authority engaged Deloitte to undertake an internal audit on data governance, noting the opportunities that can be realised through strong data governance (Deloitte, 2021). Outcomes of this audit found that SA Housing Authority are operating at a "reactive" maturity level with opportunities for improvement.

Consequently, SA Housing Authority's organisational structure has been acknowledged to **partially demonstrate** the *Outcome Focused* characteristic as there is a need to improve the clarity and consistency of KPIs to become more outcome focused and enable comparison over time, across different jurisdictions entities (e.g. CHPs).

Furthermore, refer to Section 5.3.1, which provides commentary with regards to the measurement of success based on 'outcomes' in addition to 'outputs'.

Integrated

Services across the housing continuum are delivered through an interconnected system of government, non-government and private sector entities within South Australia. This includes SA Housing Authority, Referral Agencies, Community Housing Providers and Multi-Trade Contractors. Structurally, there is no direct reporting line between SA Housing Authority and Referral Agencies/Community Housing Providers, rather multiple pathways exist. Consequently, SA Housing Authority is considered to partially enable the Integrated characteristic.

Through stakeholder consultation with CHPs and Referral Agencies, it was acknowledged that:

- Better alignment and clarity on priority cohorts is required at a system level to ensure that a consistent definition exists sector wide.

- Functions within the sector appear to be operating in silos when addressing customer needs, rather than holistically. This could be a potential by-product of SA Housing Authority having no formal definitions or universal customer charter.

- There is no clear definition of where responsibility and accountability for certain vulnerable cohorts sits (i.e. mixed tenures), resulting in gaps in services.

Integrated

- A successful, integrated multi-provider system will have strengths in providers offering different services.

- Better system pathways are required to fully integrate the sector's service offering across the housing continuum and streamline a customer's housing or homelessness journey. While the establishment of a consolidated waitlist across the public and community housing sector intended to simplify pathways into social housing, CHPs noted the following:

- There is a need for a waitlist to be specific for an outcome, rather than centralised.

- Use of a centralised waiting list has limited the CHPs ability to control and manage their own portfolio. Targeted groups to be housed should ideally be selected in consideration of a needs, geographic and cultural basis noting close linkages to community.

- Currently, data is not set up for efficient information sharing, which inhibits cross-collaboration across the sector. Enhancements to data integration, particularly linked administrative data is required across the sector and jurisdictional boundaries to:

  - Improve a customer's journey through preventing the need for customers to repeat their story and streamlining operations between agencies.

  - Leverage shared and consistent datasets to enable real time analysis and forecasting to inform decision making as it relates to service design, improvement and strategy.

- While SA Housing Authority maintains numerous linkages with CHPs and referral agencies, formal linkage to SA Housing Authority's CE or Board is through the Business & Partnerships team within the Portfolio Planning & Asset Management division. The role of the Housing Regulator & Registrar within the Finance & Investment division is also a role of particular importance. In accordance with the Community Housing Providers (National Law) (South Australia) Act 2013, the Registrar is responsible for maintaining and managing the National Register of CHPs whilst monitoring compliance of CHPs with legislation.

- Despite the linkages above, through stakeholder consultations, CHPs expressed their ability to contribute to the broader housing system was limited. Consequently, no not-for-profit representation exists at Board level. Therefore, there is a desire from the Community Housing sector for an Advisory Board to be established, with the intent to report to the SAHT Board as the principal independent source of advice for the growth and development of the not-for-profit sector.

- While it is acknowledged that CHPs do not have not-for-profit representation at Board level, SA Housing Authority is invited to attend the Community Housing Council of South Australia (CHCSA) committee which was established for CHPs with a focus on providing advocacy and support on behalf of the emerging community housing sector. Currently, a member of the Strategy and Governance division attends CHCSA meetings with the intent to feedback commentary to SA Housing Authority, including the Board.

- Noting the above, it is acknowledged that during the Triennial Review window, approval was received for SA Housing Authority to establish a dedicated Social Housing committee co-chaired by the SAHT Board Chair and the CHCSA Chair with representatives from both SA Housing Authority and the CHPs. This demonstrates a positive step in encouraging collaboration and integration between SA Housing Authority and CHPs.

Noting feedback received from relevant stakeholders, SA Housing Authority has been understood to partially demonstrate the Integrated characteristic.

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Tailored Services

Per Figure 2-1, it is understood that SA Housing Authority's programs can be generalised into 12 overarching services. It appears that an appropriate division or office has been established, with the supporting team structure encapsulating all 12 service delivery categories. This includes the establishment of a dedicated *Aboriginal Housing Strategy & Governance* office in recognition of the unique needs and specific challenges faced by Aboriginal and Torres Strait Islander people.

On this basis, SA Housing Authority's organisational structure is considered to enable the Tailored Services characteristic.

Through stakeholder consultations, it was acknowledged that while there was a unanimous passion and alignment in the need to tailor services for customers:

- The social housing sector has not been consistently responsive to the current unique needs of the customer. For example, there have been instances where customers have been rehoused, noting constraints of housing programs where the best solution for the customer would be to house them in the same location. Consequently, there might be the opportunity to better utilise assets to contribute towards SA Housing Authority's tailored service delivery, noting the changing characteristics of SA Housing Authority's customers.

- As acknowledged by stakeholders in the development of the *Aboriginal Housing Strategy*, the range of existing services do not meet the current needs of Aboriginal communities and are not culturally responsive and flexible (SA Housing Authority, 2021). Actions set within the *Aboriginal Housing Strategy* intend to address this, however implementation commences outside of this Triennial Review window (i.e. July 2021).

- There is a need to consider the unique needs and specific challenges faced by customers from culturally and linguistically diverse backgrounds.

- Pathways are available for customers to enter the housing continuum, however gaps in services may exist where there is no clear definition of where responsibility and accountability for certain vulnerable cohorts sits (i.e. mixed tenures).

- The Community Housing sector seeks to deliver leading-edge, affordable housing and landlord services in thriving neighbourhoods to further growth of a strong, vibrant and sustainable South Australian community housing industry.

Consequently, SA Housing Authority is understood to partially demonstrate the *Tailored Services* characteristic.

Flexible and Agile

- In accordance with the Public Sector Act, it is understood that role descriptions have been established for all public sector employees.

- Assessment of SA Housing Authority's ability to operate in a flexible and agile manner have been limited to understanding role descriptions of SA Housing Authority's Executive Directors (EDs) which clearly define the role and responsibilities of the ED. Supporting these role descriptions is a Delegations of Authority Framework and Schedule which provides clarity and guidance to SA Housing Authority employees and the Chief Executive concerning the delegations provided to them by the SAHT Board. SA Housing Authority's Delegations and Authorisation Schedule (DAS) has been broken down into 'categories' of delegations, including procurement, contracting, payment, property, finance, banking, statutory, income, common seal and people and culture.

Flexible and Agile

- Authorisations appear to be appropriate with the functions of SA Housing Authority as well as the enabling legislation, including the SAHT Act and Public Sector Act.

- Noting the linkages between the enabling legislation, while there is a level of autonomy, the board is ultimately responsible to the Minister and as such, SA Housing Authority is considered partially enabled to operate in a flexible and agile manner.

- It is noted that opportunity for improvement exists with regards to a nexus of accountability for system-level outcomes. As identified during stakeholder consultations, responsibilities across government departments are not clearly defined (e.g. for transitional housing from prisons to housing). Similarly, there is an opportunity to improve agile decision making through the use of outcome focused metrics and better integration sector-wide.

Consequently, SA Housing Authority has been recognised to be partially demonstrating the *Flexible and Agile* characteristic.

Financial Sustainability

SA Housing Authority has a dedicated *Finance and Investment* division led by the Chief Financial Officer who reports directly to the CE.

The role description of the Director, Finance emphasises the importance of the efficient and effective management and utilisation of financial and physical resources in alignment with the definition, through commentary such as:

> *"The Director, Finance is responsible for maximising the use of financial and physical resources to facilitate the achievement of SA Housing Authority's strategic objectives."*

> *"Innovation in affordable housing models is achieved by managing structured agreements and transactions with community housing partners to maximise the investment into affordable housing initiatives."*

> *"Providing the Finance and Investment Division and SA Housing Authority with strong, positive leadership and direction with an emphasis on customers and service capability and capacity.*

> *Source: SA Housing Authority role descriptions*

There is also strong emphasis on accurate reporting to inform evidence-driven decision making through commentary such as:

> *"Leading and implementing reporting, performance indicators and measurement tools for evaluating outcomes and recommending reforms within agreed projects and programs."*

> *"Providing a responsive corporate accounting function, that accurately manages the budget, financial delegations, taxation responsibilities, insurance and internal audit responsibilities."*

> *Source: SA Housing Authority role descriptions*

Within the Finance and Investment division, appropriate teams appear to have been established to deliver requirements mandated through both the SAHT Act and Treasurer's Instructions. Despite this structural setup and commentary within the role description, the role of the Treasurer and Cabinet is acknowledged as per Section 4.1.7.3. Therefore, SA Housing Authority's ability to maximise use of resources through mechanisms such as leveraging its assets may be susceptible to public policies, priorities, commitments and budget constraints. Noting these dependencies, it is understood that SA Housing Authority is **partially enabled** to operate in alignment with the *Financial Sustainability* characteristic.

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Financial Sustainability

Over the Triennial Review window, SA Housing Authority have demonstrated initiatives to optimise its asset portfolio through the transfer of properties to Community Housing.

However, ability for SA Housing Authority to demonstrate attributes of the *Financial Sustainability* is limited based on its level of enablement and is an inherent characteristic of its enabling legislation which notes the powers conferred on the Treasurer. Thus, SA Housing Authority's ability to autonomously manage its financial and physical resources is limited.

For this reason, it is acknowledged that SA Housing Authority **partially demonstrates** the Financial Sustainability characteristic within its day-to-day operations.

Additionally, refer to Section 6 for commentary on the strategic levers available to support an aspiration of long-term financial sustainability and asset strategy objectives.

Fostering Development

The use of education and awareness has been viewed as a key solution to addressing systemic challenges in social housing, ranging from supporting housing initiatives to a lack of knowledge about available programs and services (Yukon, 2014).

Via stakeholder consultations, it is understood that pockets of innovation and development exist in SA Housing Authority within individual divisions such as the *Service Improvement* team in the *Customer & Services* division and the *Innovation* team in the *Office for Homelessness Sector Integration* division. Furthermore, the *Strategy & Governance* division's role in leading the identification and design of strategies and programs, managing the Social Housing Modernisation Implementation Committee (SHMIC) and working with industry partners and local government have the ability to foster development to some extent. However, it is acknowledged that there is no team dedicated to fostering development of the sector holistically.

Therefore, SA Housing Authority is considered to **partially enabled** to demonstrate the *Fostering Development* characteristic.

It is understood that SA Housing Authority's strategy, *Our Housing Future 2020-30* articulates the importance of industry development frameworks to ensure that organisations involved in the system have the necessary capabilities, connectivity and processes to deliver innovative and cost-effective social housing solutions. A key action within *Our Housing Future 2020-30* includes:

- Action 5.5: Implementing Industry Development Frameworks that strengthen the multi-provider social housing sector as a key agent of change.

- This action intends to build capabilities and capacity, strengthen the industry for improved efficiency, increase resilience to change, and assist in better meeting future needs.

Fostering Development

While this action addresses strengthening the social housing sector holistically, it is recognised that this action has been allocated to the Office for Homelessness Sector Integration division only. Consequently, there is opportunity to strengthen and encourage development within other services and programs across the housing continuum. However, it is acknowledged that progress with respect to the homelessness sector can be demonstrated through the establishment of the Homelessness Alliances and development of the Alliance Charter which sees SA Housing Authority working collaboratively with Specialist Homelessness Service Providers and states that:

> *"Participants are committed to developing a culture that promotes and drives collaboration, innovation and outstanding performance".*

> *"Participants are committed to developing a 'communication culture' and being transparent in all of their dealings with each other."*

> *"Participants share all information and do not hold back ideas."*

> *Source: Alliance Agreements, SA Housing Authority*

From the perspective of the Community Housing sector, it is understood that the Social Housing Modernisation Implementation Committee (SHMIC) intends to encourage sector development within Community Housing.

As a result of the pockets of development occurring, SA Housing Authority is acknowledged to partially demonstrate the *Fostering Development* characteristic with opportunities for improvement.

GOVERNANCE

4.2 Enhancing Governance Arrangements to Support a Modern Multi-Provider System

Term of Reference	
G2	How can governance arrangements be enhanced to support a multi-provider and agency response to deliver on the strategy, including connections to the new Homelessness Alliances.

4.2.1 Overview

Noting outcomes of the assessment of SA Housing Authority's performance as a modern multi-provider system in Section 0, the following enhancements were identified for further discussion with SA Housing Authority:

▪ **Legislation and Operating Model**: While SA Housing Authority's enabling legislation appears to be reasonably broad in nature enabling a range of functions to be undertaken at the discretion of the SAHT or where not conferred on the SAHT at the direction of the Minister, the SAHT is ultimately subject to the control and direction of the Minister. The Act also stipulates that provision of financial assistance is subject to the approval of the Treasurer, however it is acknowledged that Cabinet considers major policy initiatives and matters of strategic importance, including significant financial expenditure.

Investigations into SA Housing Authority's existing operating model (SA Government owned Public Corporation) similarly found that external influences such as public policies, priorities, commitments and budget constraints may have the ability to influence the operations of SA Housing Authority.

As such, the key opportunity for enhancement included:

– Consideration into desensitising SA Housing Authority's operations from external influences to enable SA Housing Authority to operate more autonomously and leverage its existing assets to fund new investment to grow the sector and foster development (including CHPs) at its own discretion.

▪ **Current Governance Arrangements**: Section 4.1.7 presents a summary of the existing governance arrangements between SA Housing Authority and broader social housing system and its alignment to the characteristics of a modern multi-provider system. Noting the above, the following sections consider alignment of the current governance arrangements to support a modern multi-provider system with respect to SA Housing Authority's current strategy and homelessness alliances.

4.2.2 Linkages to the SA Housing Authority's Strategy

SA Housing Authority's integrated housing and homelessness strategy Our Housing Future 2020-30 states a common vision of:

> "All South Australians having access to appropriate and affordable housing that contributes to social inclusion and economic participation".
>
> Source: SA Housing Authority, Our Housing Future 2020-30

This is directly aligned to functions of the SAHT as mandated through the SAHT Act which stipulates that the functions of the SAHT include:

> "To assist people to secure and maintain affordable and appropriate housing".
>
> Source: (Government of South Australia, 2015)

Thus, it is acknowledged that the overarching vision of SA Housing Authority's current strategy is aligned to functions of SA Housing Authority mandated through the SAHT Act. As such, the assessment made within Section 4.1.7.3 applies.

Further to the above, it is also acknowledged that key strategies and actions within *Our Housing Future 2020-30* are also aligned to the characteristics of a modern multi-provider system, as evidenced in Table 4-10. Alignment of key characteristics with respect to strategies within *Our Housing Future 2020-30* are also highlighted in Section 3.3.

Table 4-10: Linkages between SA Housing Authority's Strategy and the Key Characteristics of a Modern Multi-Provider System

Characteristic	Linkages to Strategy
Customer at the Centre	At the heart of *Our Housing Future 2020-2030* is putting the 'customer at the centre' of decision-making, service provision and planning. A key objective of this strategy is to "prevent people from falling into homelessness and support those in crisis" which seeks to address early intervention of vulnerable customers with a preventative focus. Implementation of this objective is intended to be delivered through Strategy 4 – Prevent and reduce homelessness through targeted and tailored responses. Consequently, it is acknowledged that SA Housing Authority's strategy is highly aligned to the *Customer at the Centre* characteristic.
Outcome Focused	*Our Housing Future 2020-2030* stresses the need to ensure support services are person-centred and outcomes driven. However, it is acknowledged that related actions within the strategy are largely related to homelessness and not the broader housing continuum. Action 4.1 specifically addresses transitioning to an outcome-based service model that invests in and rewards positive outcomes as relevant to the homelessness sector.

Characteristic	Linkages to Strategy
Integrated	*Our Housing Future 2020-2030* recognises that enabling a network of stakeholders, communities and government to come together is essential to the implementation of the Strategy. References to better integrating services and working together with key stakeholders are communicated through the strategy.
Tailored Services	Strategy 3 within *Our Housing Future 2020-2030* focuses on creating housing pathways to enable people to access housing and services as their needs change. Key to this is the provision of clear access points and pathways which will enable more people to easily connect with the services and products they need to achieve their short to long term housing needs and aspirations. Strategy 4 also intends to focus on providing targeted and tailored support that are based on outcomes, not outputs to people in crisis, with the aim of breaking the cycle of chronic homelessness. A focus on long-term planning and delivery to support diverse and quality housing, sustainable communities, demand and supply, efficient investment, incentives for innovation is also articulated through Action 1.3. This strategy also highlights its aim of cultural inclusivity in providing a housing and support system that benefits all, while recognising there are unique needs and specific challenges faced by Aboriginal and Torres Strait Islander people and those from culturally and linguistically diverse backgrounds
Flexible and Agile	The Strategy makes a number of references to develop governance mechanisms to: ▪ Coordinate housing policy across local, state and federal governments. ▪ Enable a network of stakeholders, communities and government. Improve connectivity, coordination and collaboration across the system and with other agencies noting the reform of the homelessness system.
Financial Sustainability	Strategy 5 within *Our Housing Future 2020-2030* aims to modernise the social housing system and reposition it for success. Action 5.3 specifically looks to address the financial sustainability of the system to create long-term financial, assets, business and operational strategies to establish the framework required for a modern, effective and sustainable multi-provider system.
Fostering Development	*Our Housing Future 2020-2030* articulates the importance of a focus on innovation through collaboration which needs to be supported by continued investment in data and research that is shared across the sector. Furthermore, the strategy recognises the need to encourage new partnerships and collaborations where partners share a common vision and generate and share new ideas. This includes Strategy 1 which recognises the importance of creating an environment which inspires housing innovation and adaptability for the ongoing growth and development of the sector. While the strategy recognises the need to assist with the continual growth and development of the sector, specific actions implementing this within the strategy are limited.

Characteristic	Linkages to Strategy
Fostering Development (Continued)	However, it is noted that Strategy 5 seeks to foster development through the delivery of up to 1000 employment and training outcomes to social housing tenants, per Action 5.4. Strategy 5 also seeks to implement industry development frameworks that strengthen the multi-provider social housing sector as a key agency of change, per Action 5.5, however this is currently limited to the homelessness sector only.

4.2.3 Connections to Homelessness Alliances

SA Housing Authority established the Office for Homelessness Sector Integration (OHSI) during the 2019-20 financial year to progress collaborative work with the state's Specialist Homelessness Service providers and design a system that better meets the needs of South Australians experiencing homelessness, whilst also aiming to reduce homelessness (SAHT, 2020).

Implemented through the SA Homelessness Alliances, SA Housing Authority established five alliances to service the complex and evolving needs of clients experiencing or at risk of homelessness (refer to Section 2.2.1.1).

The establishment of these alliances saw the implementation of a new governance structure which intends to enable service providers and SA Housing Authority the ability to work together to strategically plan the delivery of services, identify and resource emerging needs, and monitor whole of system outcomes (SA Housing Authority, 2020).

The governance structure is comprised of the key components highlighted within Table 4-11 below.

Table 4-11: SA Homelessness Alliances Governance Structure Components

| Component	Role and Responsibilities	Membership
Alliance System Steering Group (ASSG)	The Alliance System Steering Group is accountable and reports to SA Housing Authority for all key responsibilities and objectives of the group including supporting the alliances, monitoring whole-of-system performance in achieving outcomes, facilitating cross partnership capacity and capacity building and assisting in the development and implementation of best-practice operational practices and systems across South Australia.	Representation from SA Housing Authority (Chair) and each alliance partnership
Inner-City Sub-Committee (ICSC)	The ICSC is accountable to the ASSG and SA Housing Authority for guiding the operation of the broader Alliance System through working to address homelessness in the inner-city of Adelaide.	Representation from SA Housing Authority (Chair) and each alliance partnership. The ASSG will also nominate a member from an Aboriginal Community Controlled Organisation (ACCO) if required.

Component	Role and Responsibilities	Membership
Alliance Leadership Team (ALT)	To establish and implement the strategic leadership and direction of the Alliance and implement transparent governance and accountability structures for the Alliance.	Representation from SA Housing Authority and an appointee from each Sector Participant.
Alliance Management Team (AMT)	To lead and perform the day-to-day Alliance Activities under the leadership and direction of the ALT	Representation from Alliance Senior Manager and an appointee from each Sector Participant.

Figure 4-16 presents an overview of the Alliance System Governance.
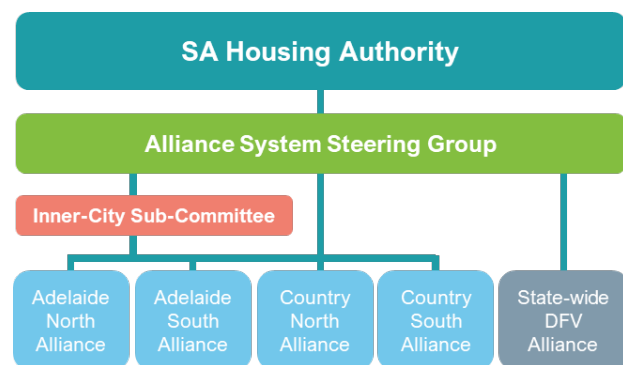
Figure 4-16: Homelessness Alliance System Governance Structure

While the ASSG provides a direct reporting line to SA Housing Authority's CE and SAHT Board through the OHSI, the following governance structure has also been established at an alliance level, providing clarity on communication and accountabilities (refer Figure 4-17).
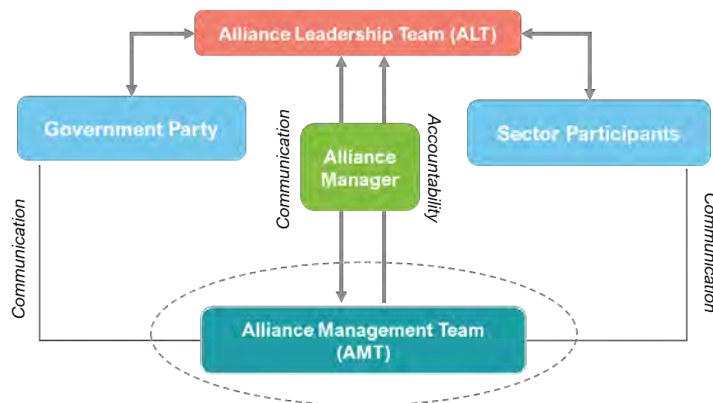
Figure 4-17: Individual Alliance Governance Structure

Noting the documentation above, it appears that SA Housing Authority has established clearly defined governance policies and processes for the Homelessness Alliances with appropriate linkages, as articulated within SA Housing Authority's *SA Homelessness Alliance Framework* document. SA Housing Authority is represented at all relevant governance forums (with the exception of the AMT), allowing for collaboration and transparency in the performance of the Alliances.

Ultimately, the Head of Homelessness Sector Integration is accountable for the leadership and execution of functions necessary to transform homelessness initiatives and activities in place across South Australia, reporting directly to the Chief Executive, as reflected in the governance structure documented in Figure 4-15.

Noting that implementation of the homelessness alliances commenced after the Triennial Review window (i.e. on 1 July 2021), no commentary has been provided on the effectiveness of the established governance structures. However, it is recommended that performance of this structure be assessed to monitor the effectiveness of the current structure and identify opportunities for enhancement if they present.

4.2.4   Enabling a Modern Multi-Provider System

The assessment of SA Housing Authority and the broader social housing system's alignment to the characteristics of a modern multi-provider system (refer Section 4.1.4) revealed a number of opportunities for enhancement to support its ability to enable and/or demonstrate these characteristics. The following sections consider opportunities for enhancement as it relates to the three levels of governance arrangements previously identified (i.e. legislation, operating model and organisational structure) and in consideration of SA Housing Authority's remit. It is acknowledged that these have not been assessed or accepted by SA Housing Authority. It is recommended that these are reviewed by SA Housing Authority to ensure that the assessment is reflective of its current state, prior to pursuit.

Furthermore, it is noted that literature acknowledges the pressing need for overall reform of housing policy identifying systemic challenges including but not limited to:

- The rise in housing unaffordability.
- Promoting tenure equity and housing choice.
- Lack of strategic leadership on housing at a national level.
- Increasing fragmentation of responsibility for housing policy matters across a multiplicity of government entities and players (Pawson, H. et al., 2020).

Enhancements with respect to housing policy has not been taken to consideration in these recommendations.

4.2.4.1   Opportunities for Enhancement in Legislation & Operating Model

While SA Housing Authority's enabling legislation appears to be reasonably broad in nature, enabling a range of functions to be undertaken at the discretion of the SAHT or where not conferred on the SAHT,

at the direction of the Minister, the SAHT is ultimately subject to the control and direction of the Minister. The provision of financial assistance is also generally subject to the approval of the Treasurer, although the role of Cabinet is acknowledged. This implies that external influences such as public policies, priorities, commitments and budget constraints have the ability to influence the operations of SA Housing Authority.

Investigation into SA Housing Authority's existing operating model (SA Government owned Public Corporation) found that external influences such as public policies, priorities, commitments and budget constraints may have the ability to influence the operations of SA Housing Authority.

Noting the above, the following opportunity for enhancement was observed during the review.

Opportunity 1: Desensitising SA Housing Authority's operations from external influences

Desensitising SA Housing Authority's operations from external influences would enable SA Housing Authority to operate more autonomously and leverage its existing assets to fund new investment to grow the sector and foster development (including CHPs), at its own discretion.

As evidenced internationally in the USA, UK and continental Europe, long-term government support for the expansion of affordable rental housing has proven to create financially robust not-for-profit providers with the capacity to leverage existing assets to fund new investment in affordable housing (Pawson, H. et al., 2020).

Use of the Public Corporation operating model was found to be dependent on public policies, priorities, commitments and budget constraints, noting the level of government influence. As such, exploration into other operating models is recommended to enhance SA Housing Authority's ability to be financially sustainable (per Figure 4-3 description). For example, it is acknowledged that:

- Use of a General Government Department operating model enables a deficit to be run.

- Use of a Company under the Commonwealth Corporations Act operating model drives a heightened level of autonomy as the Board ultimately controls decision making, with no approval required from the Treasurer or Cabinet for financial matters.

4.2.4.2   Opportunities for Enhancement in Organisational Structure

Review of SA Housing Authority and the broader social housing system's ability to both enable and demonstrate characteristics of a modern multi-provider system found that there may be opportunities for enhancement as it relates to the 'Outcome Focused' and 'Integrated' characteristics. The following opportunities for enhancement were observed during the review:

Opportunity 2: Establishment of system-wide definitions

While it is acknowledged that a state-wide strategy exists, development of a universal customer charter and establishment of system level definitions is required to guide consistency in the system. This universal understanding should extend beyond SA Housing Authority and be consistent cross-sector and cross-government department as a minimum.

At a national level, development of a national strategy and charter which provides broad strategic direction and a coordinated framework would encourage and drive consistency cross-jurisdiction. This should be complementary to a state or territory's strategy, acknowledging that a state's strategy aims to address the specific needs of its geographic population.

While no national strategy currently exists, the need for a national strategy has been suggested by numerous commentators who note that Australia needs a more systematic approach to housing policy (Pawson, H. et al., 2020).

Opportunity 3: Increasing clarity of delineation in services between government and non-government providers through improved partnerships

Improved partnerships and collaboration cross-sector and cross-department will be integral in combatting the silo effect, and in some cases, the gaps in and/or duplication of services. Improved partnerships and collaboration could include the establishment of formal consultative arrangements and clear lines of communication between CHPs, Referral Agencies and SA Housing Authority, back to the SAHT Board. This would serve as a link to community, community housing providers and government departments to leverage sector-wide knowledge and improve the transparency of process and decision making.

Opportunity 4: Outcomes focused recalibration of Key Performance Indicators

While SA Housing Authority is a reasonably mature organisation in its data collection, current performance monitoring measures appear to be manual, laborious and output focused at times. Focus on strengthening KPIs with an outcome focus and establishing a systemised approach in which to report against these KPIs is encouraged to be explored to enable real-time insights to be garnered, supporting efficient performance monitoring.

Opportunity 5: Data Governance

The maturity of an organisation's data governance can be assessed using a five-point scale where:

- A rating of "1 – Aware", means that an organisation is primarily focused on meeting demand, has limited data capability and uses ad-hoc approaches to delivering data insights.

- A rating of "5 – Optimised", means that an organisation uses analytics to transform process and streamline decision making across all business functions.

As acknowledged by Deloitte within an *Internal Audit of Data Governance* (Deloitte, 2021) that SA Housing Authority is understood to be operating in a "2 – Reactive" manner. This means that while some data capabilities exist within SA Housing Authority, it lacks integration and misses many opportunities to utilise data insights.

Noting the above, it is acknowledged that as part of the *Internal Audit of Data Governance*, SA Housing Authority has articulated its vision to achieve a data maturity of "4 – Managed" which sees analytics enabling the efficient creation of trusted insights and driving innovation. Consequently, it is recommended that SA Housing Authority establish a data governance plan and roadmap to enable the coordination of data governance activities in accordance with its vision. A data governance framework and operating model should also be established which defines the principles for governance and considers the enabling organisational structure.

Opportunity 6: Improved Data Integration

Currently, data is not set up for efficient cross-department and cross-jurisdiction information sharing. There is a need to establish shared data mechanisms across the sector, government departments and jurisdictional boundaries to improve better system pathways and fully integrate the sector. The establishment of linked administrative data has the ability to streamline a customer's housing or homelessness journey through matching the right capability to the required need in an agile manner.

At a national level (cross-jurisdiction), it is understood that work on a data improvement plan is currently underway through the Housing and Homelessness Data Working Group, which intends to support the NHHA.

Opportunity 7: Establishment of cross-department working group

Key representatives in attendance at the Referral Pathways stakeholder consultation expressed their desire in contributing to a dedicated strategic forum to discuss challenges, opportunities and solutions focused around agreed priority cohorts and objectives. Noting the appetite of the broader system, establishment of a cross-department working group is recommended to be explored to leverage the shared system understanding and encourage cross-department integration and collaboration.

Opportunity 8: Building Sector Capability

Building a culture of continuous improvement and innovation is vital in assisting with the continual growth and development of the sector. SA Housing Authority currently leverage the *Fostering Development* characteristic to the least extent. Therefore, it is encouraged that SA Housing Authority explore opportunities in building the capability of the sector. This includes identifying key mechanisms and initiatives to ensure that organisations involved in the system have the necessary capabilities, connectivity and processes to respond to the changing customer needs and deliver innovative and cost-effective solutions sector-wide.

GOVERNANCE

5

Operational Performance

Key Points

O1	How has SA Housing Authority and its partners performed against national and state housing and homelessness indicators?
O2	How can KPIs be better aligned across housing and homelessness services to ensure customers are connected to the services they need when they need it to be successful in their tenancy and community?
O3	What additional datasets and key performance indicators could be considered to inform performance?
O4	In the context of emergency relief responses, including COVID-19, how has SA Housing Authority responded to customer needs?
O5	What level of specialisation of service model and supports are required to enable successful tenancies within a public housing context?

O1. HOW HAS THE AUTHORITY AND ITS PARTNERS PERFORMED AGAINST NATIONAL AND STATE HOUSING AND HOMELESSNESS INDICATORS?

THE FRAMEWORK

- SA Housing Authority's performance in comparison to other states and over time has been assessed using the national performance indicator framework provided within the *Productivity Commission's Report* on Government Services (RoGS).

- The performance indicator framework within RoGS provides information on equity, efficiency and effectiveness, and distinguishes the outputs and outcomes of social housing services across 11 indicators for housing and 8 indicators for homelessness.

- SA Housing Authority's performance against other Australian jurisdictions was compared using the latest national average available (2020-21) for the above metrics. SA Housing Authority's performance over time was also measured by the trends in these metrics for South Australia over the review period from 2017-18 to 2020-21.

- Our methodology for analysing the housing indicators has been outlined in detail within this chapter. Minor variations have been allowed for in indicators over time and across jurisdictions, given the differences in underlying methodological approach across time and jurisdictions. A finding that performance has remained stable or is in line with a national average thus includes an allowance for + / -5% variation in the underlying number.

PERFORMANCE ON HOUSING INDICATORS

- The South Australian social housing portfolio has some key differences compared to other jurisdictions. At a high level, the proportion of households in social housing in South Australia is higher than the national average, the portfolio has a higher level of under-utilisation and the Federal funding per dwelling is lower than the national average for South Australia.

- While there are differences across jurisdictions, RoGS is one of the most comprehensive sources of information on cross-jurisdictional performance and has been used to compare SA Housing Authority's performance with other Australian jurisdictions.

- The performance indicator framework for housing within Part G, Section 18 of RoGS includes 11 indicators which provide information on equity, efficiency and the effectiveness of housing services over time and across jurisdictions in Australia. Nine (9) indicators were selected for assessing performance based on discussion with the Authority and the availability of data at the time of writing this report.

- These 9 indicators cover the equity, effectiveness and efficiency of services. They include measures relating to access for those with greatest needs, access for groups with special needs, affordability, appropriateness of dwelling, including matching dwelling to household size, amenity / location of the dwellings, dwelling conditions, customer satisfaction, the net recurrent cost per dwelling and occupancy rates.

- The real net recurrent cost is excluded from the scope of this analysis as it is understood that this is not comparable based on methodological concerns.

- Analysis on the above available indicators within housing demonstrates that South Australia has performed better than or in line with the national average based on data from 2020-21. This trend is consistent across public housing, State Owned and Managed Indigenous Housing (SOMIH) and community housing.

- Areas where South Australia as a whole has performed better than the national average for 2020-21 are in the proportion of new allocations to households in greatest need and the proportion of overcrowded households.

- Public housing has also performed better than the national average for 2020-21 in terms of the proportion of respondents living in dwellings of an acceptable standard, the proportion of new tenancies allocated to households with special needs/equity groups and the proportion of tenants satisfied or very satisfied with the service provided by their housing provider.

- SOMIH has also performed better than the national average for 2020-21 on the proportion of new tenancies allocated to households with special needs/equity groups.

- As a whole, South Australia's performance over the review period has improved in the proportion of new tenancies allocated to households with special needs/equity groups. Community housing has also shown an improvement in the proportion of new allocations to households in greatest need.

- Performance has declined for SOMIH on the proportion of overcrowded households and the proportion of tenants satisfied or very satisfied with the service provided by their housing provider. The reasons for this are not clear and further analysis is required to understand these results.

- Performance for other indicators over the review period remains stable.

- In addition to social housing, SA Housing Authority's remit includes affordable housing. SA Housing Authority provides financial assistance through private rent assistance (PRA) and home purchase assistance. The AIHW's report on housing assistance in Australia provides summary statistics on private rent assistance. However, due to changes in data classification and differences in the support offerings, it is difficult to compare statistics across jurisdictions and over time.

OPERATIONAL PERFORMANCE

- SA Housing Authority facilitates support for South Australians and outlines initiatives to reduce the incidence of homelessness and increase the ability of vulnerable cohorts to achieve better housing outcomes.
- The performance indicator framework for homelessness within Part G, Section 19 of RoGS includes 8 indicators which provide information on equity, efficiency, and the effectiveness of homelessness services over time and across jurisdictions in Australia. Eight (8) indicators were selected for assessing performance on homelessness based on discussion with the Authority and the availability of data at the time of writing this report.
- In comparing South Australia's performance on to the national average for 2020-21, South Australia has performed better than the national average on four (4) indicators – the proportion of clients with unmet need for accommodation, average daily unassisted request for accommodation, the proportion of clients with accommodation/accommodation related needs where services were provided and/or referred and clients achieving independent housing. The performance is in line with the national average on cost per support day and on labour force status of clients after support. South Australia's performance is below the national average on the proportion of clients who had repeat periods of homelessness.
- In comparing performance over time from 2017-18 to 2020-21, South Australia's performance has improved on two (2) indicators – the proportion of clients with unmet demand for homelessness services and labour force status of clients supported. South Australia's performance has remained stable over time on two (2) indicators – the proportion of clients with accommodation/accommodation related needs where services were provided and/or referred and clients achieving independent housing.
- South Australia's performance has deteriorated over time on two (2) indicators – average daily unassisted requests for accommodation and the proportion of clients who had repeat periods of homelessness. Analysis of performance over time was not feasible on two indicators.
- Where performance has deteriorated over time and is below the national average, of note is the increase in the proportion of clients who had repeat periods of homelessness. This may be due to increasing housing affordability stress but also points to an existing trend of increasing repeat intakes in South Australia. SA Housing Authority is cognisant of this trend and has initiated a reform agenda through the *Future Direction for Homelessness* strategy.

O2. HOW CAN KPIS BE BETTER ALIGNED ACROSS HOUSING AND HOMELESSNESS SERVICES TO ENSURE CUSTOMERS ARE CONNECTED TO THE SERVICES THEY NEED WHEN THEY NEED IT TO BE SUCCESSFUL IN THEIR TENANCY AND COMMUNITY?

O3 WHAT ADDITIONAL DATASETS AND KEY PERFORMANCE INDICATORS COULD BE CONSIDERED TO INFORM PERFORMANCE?

Given the linkages between the above two Terms of Reference, key points and recommendations have been summarised in consideration of both of the above Terms of References.

DEFINITION OF A SUCCESSFUL TENANCY IN THE CONTEXT OF HOUSING AND HOMELESSNESS SERVICES

- Ultimately, success is different for distinct tenant cohorts. Consequently, an approach that places the 'customer at the centre' and acknowledges them as experts in their own lives is essential to driving successful outcomes. As indicated in various literature, the success of a pathway should not be judged simply in terms of the pattern of housing occupancy, but in terms of the degree to which it meets the individual needs of the person housed.

- SA Housing Authority has a practice framework which provides a nuanced interpretation of this approach for the organisation and considers the client's right to autonomy.

CURRENT PERFORMANCE FRAMEWORK

- SA Housing Authority's performance measurement and reporting framework is informed by several key strategies, including *Our Housing Future 2020-2030, SA Housing Authority Strategic Plan 2020-25* and the annual *Business Plans*.
- The *SA Housing Authority 2020-25 Strategic Plan* developed in 2020 provides the framework for the most recent performance measures of SA Housing Authority included in the *Business Plan 2020-21*.
- While the KPIs in the recent annual business plan align to the *Strategic Plan 2020-25*, the KPIs have changed several times during the review period. This increases complexity and impacts the consistency of performance measurement.
- As noted in Section 3, the absence of a universal definition of 'customer at the centre' at an organisational level has meant that divisions within SA Housing Authority approach customers in a compartmentalised manner.
- The SA Housing Trust Board has acknowledged the complexity of performance reporting and has initiated a performance reporting review. The review is underway and is expected to be an iterative process to ensure the performance reporting supports effective and evidence-based decision making by the Board.

OPPORTUNITIES TO BETTER ALIGN KPIS IN THE FUTURE PERFORMANCE MANAGEMENT FRAMEWORK AND RELEVANT DATASETS

- To best support the review initiated by the Board, a desktop analysis of cross-jurisdiction and national frameworks on performance measurement in the sector was conducted. This approach aimed to develop key guiding principles and datasets to help inform the choice of performance indicators for SA Housing Authority.
- National frameworks on measurement of success typically focus on 'outcomes' in addition to 'outputs.' Comparable jurisdictions are also moving toward an 'outcome-based framework'.
- Some examples include Community Housing Industry Association Victoria's Community Housing Outcomes Framework, NSW Family & Community Services' Social Housing Outcomes Framework and the Social Housing Indicator Framework developed by the Centre for Social Impact.
- Therefore, the future performance management framework should be outcome-focused, aligned with existing national frameworks and the strategic objectives of SA Housing Authority.
- The framework should focus on the identification of customer needs across different cohorts and place the 'customer at the centre'.
- The KPIs should be clear, measurable and consistent over time to enable evaluation of the outcome's trajectory.
- A systematic approach to mapping existing internal and external datasets to the proposed KPIs is critical for the implementation of the performance framework. The implementation of the initiatives from the Housing and Homelessness Data Improvement Plan would also help inform this exercise.

O4. IN THE CONTEXT OF EMERGENCY RELIEF RESPONSES, INCLUDING COVID-19, HOW HAS SA HOUSING AUTHORITY RESPONDED TO CUSTOMER NEEDS?

ROLE OF SA HOUSING AUTHORITY IN EMERGENCY RELIEF EFFORTS

- SA Housing Authority is the lead agency responsible for the Emergency Relief Functional Support Group (ERFSG) at the direction of the SA Government, under the State Emergency Management arrangements.

- The ERFSG delivers relief and recovery services for affected communities during and after an emergency/disaster (e.g. bushfire, flood or earthquake).
- SA Housing Authority works with a range of non-governmental partners to provide vital support and services to the communities impacted.
- Overall, SA Housing Authority's responsibilities within emergencies go beyond the provision of shelter to the communities.
- While not a specialist emergency service, SA Housing Authority is well placed to support the community due to its extensive footprint across the state and is able to leverage its expertise of case management within housing provision for people from different life circumstances.

BEST PRACTICE EMERGENCY RESPONSE

- The recent Royal Commission into National Natural Disaster Arrangements provides some relevant context on the complexity and the long-term impact of emergencies on communities and therefore, implications for emergency relief and response arrangements.
- The Royal Commission report provides a useful framework for understanding the full recovery process, and emphasises the need for understanding the community's context, with a community-led approach being suited to engage and empower communities to move forward.
- The report also highlighted planning, effective communication with the affected communities and good coordination as key critical enablers for successful responses to emergencies.

SA HOUSING AUTHORITY'S RESPONSE TO CUSTOMER NEEDS DURING EMERGENCIES

- Emergency relief is a challenging and evolving field, particularly considering the unexpected nature of emergencies. In order to understand SA Housing Authority's response to customer needs, case studies on these key relief responses during the review period were evaluated. These included emergency responses for bushfire and hailstorm, COVID-19 pandemic related housing issues and floods (Queensland).
- In addition to the Parliamentary Briefing Notes (PBNs) and Estimates Briefing Notes (EBNs) on these emergencies, stakeholder consultations were undertaken to understand and evaluate SA Housing Authority's response.
- The stakeholder consultations did not include the experience of customers who had received emergency relief, nor partner organisations and were limited to staff members from SA Housing Authority.
- While this limits the ability to fully assess SA Housing Authority's response, consultations included a discussion of best practice emergency response in relation to these events.
- The best practice behaviours displayed by SA Housing Authority in its emergency response activities include:
  - **Staff training:** SA Housing Authority provided training to the ERFSG to explain roles and expectations within the team. Training feedback was requested and documented.
  - **Review of internal processes:** during the COVID-19 pandemic, internal processes were reviewed to reduce internal touch points when requesting emergency relief support, resulting in a better customer experience.
  - **Relief hotline:** a call centre was established to improve customer experience for those affected by the COVID-19 pandemic.
- **Some opportunities for improvement as observed during the consultations include:**
  - Capturing formal feedback from customers.
  - Capturing baseline data about the emergency response in order to evaluate future responses against existing response efforts.
  - Automation of services to improve customer experience and increase efficiency.

O5. WHAT LEVEL OF SPECIALISATION OF SERVICE MODEL AND SUPPORTS ARE REQUIRED TO ENABLE SUCCESSFUL TENANCIES WITHIN A PUBLIC HOUSING CONTEXT?

SA HOUSING AUTHORITY'S CURRENT SERVICE MODEL

- SA Housing Authority has been moving towards a multi-provider housing system to better design, fund and deliver the services it is responsible for.
- The multi-provider housing model has been referred to in earlier chapters of this report. It includes CHPs, referral pathways and multi-trade contractors.
- SA Housing Authority's current service delivery model is under the process of defining relevant parties' roles and responsibilities under a multi-provider model.
- For the purpose of this chapter, it is noted that the role of CHPs has been considered as part of the multi-provider housing system.

BEST PRACTICE MODELS OF SERVICE DELIVERY

- There are advantages of a multi-provider system that can support successful tenancies in public housing, where tenancy services, as well as asset services, are transferred to CHPs.
- CHPs tend to be more specialised in certain tenant profiles, which allows them to provide more targeted services.
- While it is acknowledged that SA Housing Authority has reported a net operating loss associated with CHP transfers in the past, CHPs have financial advantages over public housing authorities due to their non-governmental and not-for-profit status.
- Overall research has supported positive tenant and financial outcomes when tenancy and asset management are undertaken by CHPs.

FUTURE SERVICE MODEL TO ENABLE SUCCESSFUL TENANCIES WITHIN A PUBLIC HOUSING CONTEXT

- CHPs are a critical part of a multi-provider system.
- CHPS are seeking greater involvement in the sector including in its strategic direction.
- Proper planning and monitoring are essential to ensure the success of the future multi-provider system.
- Planning the CHP transfer pathway and proactively managing associated risks will position SA Housing Authority – and most importantly, its tenants – for success in its role of overseeing a modern multi-provider system.
- Financial sustainability of CHP transfers is discussed under the Financial Sustainability section.

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5.1   A National Comparison of Performance on Key Indicators

Term of Reference	
O1	How has SA Housing Authority and its partners performed against national and state housing and homelessness indicators?

5.1.1   A National Performance Indicator Framework

SA Housing Authority's performance in comparison to other states and over time has been assessed using the national performance indicator framework within the Report on Government Services (RoGS)

The National Housing and Homelessness Agreement (NHHA) requires all public housing authorities to report on progress through RoGS. RoGS evaluates the performance of housing and homelessness services of different states across time under the following classification:

- The **housing** section (Part G, Section 18) presents data on the performance of governments in providing social housing, including public housing (PH), state owned and managed Indigenous housing (SOMIH), community housing (CH) and Indigenous community housing (ICH).

- The **homelessness** section (Part G, Section 19) focuses on specialist homelessness services funded by government under the Council of Australian Governments (COAG) National Housing and Homelessness Agreement (NHHA).

RoGS includes a performance indicator framework which provides information on equity, efficiency and effectiveness, and distinguishes the outputs and outcomes of social housing services across 11 indicators for housing and 8 indicators for homelessness.

While South Australia is performing well relative to the national average, cross-jurisdictional benchmarking has limitations. Each jurisdiction's housing authority operates under its own legislative and policy regime. This creates differences in operational responsibilities. For example, in South Australia the requirement of SOMIH to pay land tax equivalents in FY 2019-20 was a salient factor in the rise of real net recurrent cost per dwelling for public housing. Not all jurisdictions have an equivalent taxation requirement, which makes like comparison on such an indicator difficult. Additionally, the data published by RoGS is managed by each individual jurisdiction and is sometimes not uniformly available, or the methodologies vary, which creates limitations for comparison.

5.1.2   Progress against National Housing Indicators

SA Housing Authority's performance against national housing indicators has improved over time and has been in accordance with the national average on most indicators

As of June 2021, SA Housing Authority owned or managed a housing portfolio of 32,365 social housing dwellings. A high-level benchmarking of SA Housing Authority with other comparable organisations in other jurisdictions highlighted the following observations (PwC, 2021):

- South Australia has a higher proportion of households in social housing as a percentage of overall households, when compared with other jurisdictions and the national average. In South Australia, the proportion of households in social housing is 6.1% as against the national average of 4.2%. This reflects the higher number of social housing dwellings in South Australia when compared to other jurisdictions on a per capita basis. Across Australia, there remains significant unmet demand for social and affordable housing.

- South Australia received approximately $2,519 per dwelling in Federal Government funding in 2019-20. This was below the national average of $3,831 and less than four other states (NSW, VIC, QLD and WA). As NHHA funding is allocated according to each jurisdiction's share of Australia's population, the higher proportion of social housing dwellings per capita in South Australia impacts the funding per dwelling.

- The South Australian social housing portfolio has a higher under-utilisation at 25.1% as compared to the national average of 15.3%, as of 30 June 2020. This is consistent with previous Triennial Review findings and reflects the mismatch between the predominance of three-bedroom houses in the portfolio and the single parent families and individual households that comprise the majority of tenants.

Housing affordability is an important indicator for the sector and a key factor impacting the demand for social housing. While measuring housing affordability is not straightforward, a typical measure used is the number of households in rental affordability stress. As discussed in Section 0, this is defined as the proportion of lower income rental households paying more than 30% of income on housing costs. Data available from the most recent RoGS (2022) showed an increasing trend of rental affordability stress in South Australia, with the proportion having increased from 27.4% in 2010 to 32.4% in 2017-18. While RoGS does not include the data for the recent financial years, this trend is corroborated by the rental affordability index developed by SGS Economics, referenced on the AIHW website. According to the index, the average rental household in Greater Adelaide pays 27% of their total income if renting at the median rate, making Greater Adelaide the second least affordable capital city in Australia (SGS Economics & Planning, 2021).

The aim of the social housing services system is to support the vulnerable and economically disadvantaged who do not have alternative suitable housing options by providing access to social housing assistance that supports their social and economic participation and wellbeing.

Organisations in the sector aim to achieve this through the provision of services that are timely and affordable, safe, appropriate, high quality, sustainable and meet the needs of individual households (Productivity Commission, 2020).

The framework for performance measurement within RoGS is therefore aligned to the principles of equity, effectiveness and efficiency with KPIs against each principle.

Figure 5-1 shows the performance framework developed for social housing in RoGS.
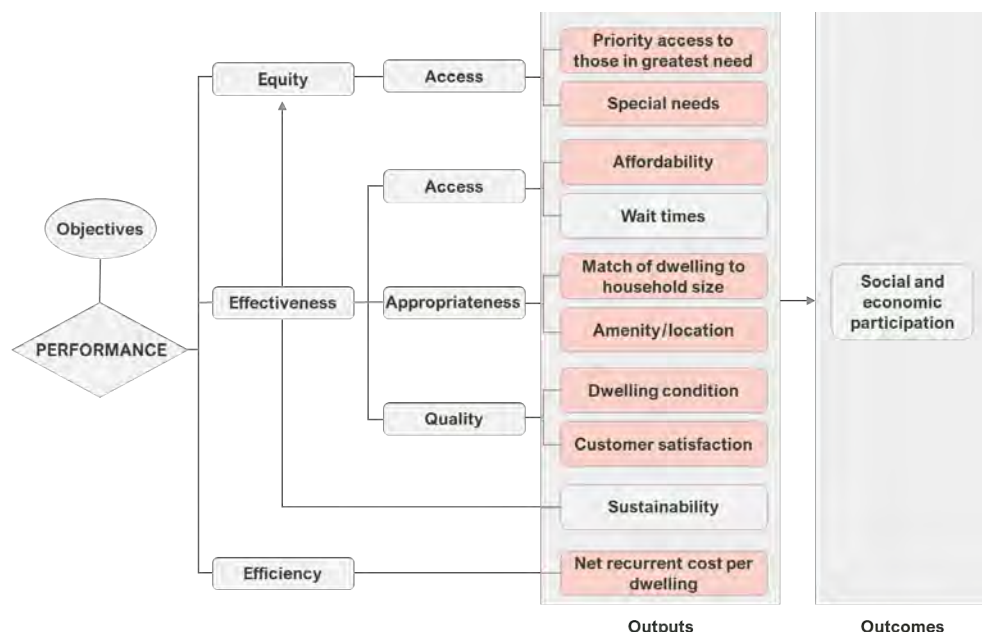
Figure 5-1: Performance Indicator Framework for Housing

Source: (Productivity Commission, 2021)

Analysis of the performance of South Australia for measures within each of the categories was conducted, with the examination covering the review of South Australia's performance across two dimensions:

- **Progress over time**: South Australia's performance over the review period from 2017-18 to 2020-21 was evaluated.

- **Progress compared to national average**: South Australia's performance was compared with the national average across the measures.

The methodology for assigning the ratings has been detailed in the following table.

Table 5-1: Methodology used in Assessing RoGS Data

Rating	Progress over time	Progress as compared to the national average
●	**Progress on the metric has improved over time** These ratings were provided for indicators where the performance has improved by >5% from 2017-18 to 2020-21	**South Australia's performance on the metric is better than the national** These ratings were provided for indicators where South Australia's performance was better than the national average by >5% for 2020-21

Rating	Progress over time	Progress as compared to the national average
◕	**Progress on the metric has largely remained constant over time** These ratings were provided for indicators where the performance has changed within a +/- 5% range from 2017-18 to 2020-21	**South Australia's performance on the metric is in line with the national average** These ratings were provided for indicators where South Australia's performance is within a +/- 5% range from the national average for 2020-21
◑	**Progress on the metric has deteriorated over time** These ratings were provided for indicators where the performance has dropped by >5% from 2017-18 to 2020-21	**South Australia's performance on the metric is below the national average** These ratings were provided for indicators where South Australia's performance is below the national average by >5% for 2020-21
○	**Comparison over time is not feasible** These ratings were provided for indicators where either data was not available and/ or there were anomalies in the data	**Comparison with the national average is not feasible** These ratings were provided for indicators where either data was not available and/ or there were anomalies in the data

A worked example is included in the table below.

Table 5-2: Example of the Applied Methodology

	Segment	SA 2017-18	SA 2018-19	SA 2019-20	SA 2020-21	National Average 2020-21	Progress over time	Progress compared to the national average
Proportion of tenants satisfied or very satisfied with the service provided by their housing provider	PH	N/A	79.20%	N/A	78.90%	71.90%	-0.38%	-9.74%
	SOMIH	N/A	68.50%	N/A	64.90%	64.50%	-5.26%	-0.62%
	CH	N/A	80.40%	N/A	79.60%	76.40%	-1.00%	-4.19%

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A traffic light assessment was used to evaluate SA Housing Authority's progress, with ratings classified into four discrete categories.

The date on wait time, sustainability and social and economic participation was not available for comparative jurisdictions on RoGS at the time of writing this report, and hence has been excluded from the analysis.

In addition to the eight (8) indicators from RoGS on which data was available, the Authority indicated that proportion of dwellings occupied was also a key metric and hence has been added to the selected metrics for comparison.

Table 5-3 shows South Australia's performance across time and a comparison of the performance in 2020-21 against the national average for the selected metrics.

Table 5-3: Assessment of South Australia's Performance on Housing Indicators

#	Indicator	Segment	South Australia's performance				National average 2020-21	Progress over time	Progress compared to national average
			2017-18	2018-19	2019-20	2020-21			
1	Proportion of new allocations to households in greatest need	PH	88.2%	86.4%	79.0%[1]	88.9%	81.1%		
		SOMIH	91.3%	90.2%	80.0%	94.4%	64.9%		
		CH	84.3%	86.5%	90.3%	95.7%	86.1%		
2	Proportion of new tenancies allocated to households with special needs/equity groups	PH	69.7%	70.3%	69.6%	74.2%	62.4%		
		SOMIH	50.5%	48.5%	49.5%	57.4%	39.8%		
		CH	53.6%	51.2%	58.1%	56.3%	57.3%		
3	Proportion of households with low-income[2]	PH	98.6%	99.0%	98.9%	98.0%	98.3%		
		SOMIH	97.4%	98.7%	98.6%	97.7%	97.5%		
		CH	93.6%	94.8%	94.5%	93.7%	94.5%		
4	Proportion of overcrowded households	PH	2.1%	2.1%	2.0%	2.1%	4.2%		
		SOMIH	7.6%	7.8%	7.1%	8.2%	24.7%		
		CH	3.0%	2.9%	2.8%	3.0%	3.9%		
5	Proportion of tenants rating location aspects as important and meeting their needs[3]	PH	NA	91.5%	NA	92.5%	92.8%		
		SOMIH	NA	93.8%	NA	91.9%	93.0%		
		CH	NA	91.8%	NA	94.3%	92.3%		

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[1] As indicated in the AIHW data collection quality systems, in April 2020, Housing SA implemented a new data collection system, due to which the greatest need parameter is likely to be an undercount attributed to data migration error. Hence, this has been treated as an anomaly.
[2] Low-income households are defined as those in the bottom 40 percent of equivalised gross household income.
[3] Data on RoGS is only available for 2020 and 2018, as this data is sourced from NSHS, which is a biennial survey.

#	Indicator	Segment	South Australia's performance				National average 2020-21	Progress over time	Progress compared to national average
			2017-18	2018-19	2019-20	2020-21			
6	Proportion of respondents living in dwellings of an acceptable standard[4]	PH	NA	81.5%	NA	84.7%	76%	(constant)	(better >5%)
		SOMIH	NA	64.8%	NA	62.8%	63.7%	(constant)	(constant)
		CH	NA	87.6%	NA	85.6%	81.9%	(constant)	(constant)
7	Proportion of tenants satisfied or very satisfied with the service provided by their housing provider[5]	PH	NA	79.2%	NA	78.9%	71.9%	(constant)	(better >5%)
		SOMIH	NA	68.5%	NA	64.9%	64.5%	(deteriorated)	(constant)
		CH	NA	80.4%	NA	79.6%	76.4%	(constant)	(constant)
8	Real net recurrent cost per dwelling (excl. capital cost)	PH	$8,666	$8,878	$12,014[6]	$10,361	$10,370	(not feasible)	(not feasible)
		SOMIH	$13,708	$14,319	$15,399	$10,321	$12,730	(not feasible)	(not feasible)
		CH	$8,749	$9,480	$9,057	NA	NA	(constant)	(not feasible)
9	Proportion of dwellings occupied[7]	PH	95.0%	95.2%	94.9%	94.4%	96.8%	(constant)	(constant)
		SOMIH	94.7%	94.5%	93.9%	94.9%	95.0%	(constant)	(constant)
		CH	96.6%	96.4%	96.7%	96.3%	95.0%	(constant)	(constant)

Legend

(green circle) Progress on the metric has improved over time by >5%. South Australia's performance on the metric is better than the national average by >5%. Methodology is explained in detail in section 5.1.2 above.	(green pie) Progress on the metric has largely remained constant over time. The performance on the metric is in accordance with national average. Methodology is explained in detail in section 5.1.2 above.	(half yellow) Progress on the metric has deteriorated over time by >5%. Progress on the metric varies negatively by >5% compared to the national average. Methodology is explained in detail in section 5.1.2 above.	(empty circle) Comparison over time is not feasible. Comparison with the national average is not feasible. Methodology is explained in detail in section 5.1.2 above.

PH – Public Housing   **SOMIH** – State Owned and Managed Indigenous Housing   **CH** – Community Housing

Source: (Productivity Commission, 2021)

[4] Data on RoGS is only available for 2020 and 2018, as this data is sourced from NSHS, which is a biennial survey.
[5] Data on RoGS is only available for 2020 and 2018, as this data is sourced from NSHS, which is a biennial survey
[6] SA Housing Authority indicated that the increase in net recurrent cost is as an anomaly for 2019-20 and 2020-21. This was a result of land tax not being reimbursed for 2019-20, as well as land tax being charged on SOMIH dwellings for the first time. Hence, comparison across time and with the national average is not feasible.
[7] This metric is not part of the RoGS framework. However, RoGS publishes data on the metric, and it was identified by SA Housing Authority as a key metric.

The above table compares South Australia's performance over time and against the national average on 9 housing indicators covering the equity, effectiveness and efficiency of services. The measures relate to access for those with greatest needs, access for groups with special needs, affordability, appropriateness of dwelling, including matching dwelling to household size, amenity/location of the dwellings, dwelling conditions, customer satisfaction and the net recurrent cost per dwelling.

It is noted that the trends in the net recurrent cost per dwelling has not be commented on within the scope of this review. SA Housing Authority indicated that the increase in net recurrent cost is as an anomaly for 2019-20 and 2020-21. This was a result of land tax not being reimbursed for 2019-20, as well as land tax being charged on SOMIH dwellings for the first time. Hence, comparison across time and with the national average is not feasible. Therefore, calculations for SOMIH is excluded from the analysis on this basis.

Analysis on the above available indicators within housing demonstrates that South Australia has performed better than or in line with the national average based on data from 2020-21. This trend is consistent across public housing, State Owned and Managed Indigenous Housing (SOMIH) and community housing.

Areas where South Australia as a whole has performed better than the national average for 2020-21 are in the proportion of new allocations to households in greatest need and the proportion of overcrowded households.

Public housing has also performed better than the national average for 2020-21 in terms of the proportion of respondents living in dwellings of an acceptable standard, the proportion of new tenancies allocated to households with special needs/equity groups and the proportion of tenants satisfied or very satisfied with the service provided by their housing provider.

SOMIH has also performed better than the national average for 2020-21 on the proportion of new tenancies allocated to households with special needs / equity groups.

As a whole, South Australia's performance over the review period has improved in the proportion of new tenancies allocated to households with special needs/equity groups.

Community housing has also shown an improvement in the proportion of new allocations to households in greatest need.

There was a decrease in the proportion of tenants satisfied or very satisfied with the service provided by their housing provider in SOMIH. From 2018-2021 this indicator decreased from 68.5% to 64.9%. The reason for the drop from the last survey is not apparent, at this point; however, South Australia's performance is in accordance with the national average in 2021. The proportion of overcrowded households in SOMIH also increased from 7.6% to 8.2% over the period of the review. While South Australia still performs significantly above the national average in this indicator, the increase in overcrowded households could have contributed to the drop in tenant satisfaction rating.

Performance for other indicators over the review period remains stable.

In addition to RoGS indicators, the social housing sector can be assessed in part through the CHP sector's compliance with their obligations under the National Regulatory System for Community Housing and its National Regulatory Code (NRC). Once registered, CHPs must submit evidence of their ongoing

compliance with the NRC across 7 outcomes (NRSCH, 2019-20). CHPs across South Australia comply with the NRC, as is evident from Table 5-4. However, there is scope for improvement, particularly in the management outcome which assesses CHPs ability to manage their resources in a cost-effective manner by utilising assets and funding to meet business goals and implementing appropriate management structures, systems, policies and procedures to ensure the operational needs of the business can be met (National Regulatory System Community Housing, 2020).

Table 5-4: CHP NRC Compliance

Outcome		Compliant	Compliant with Recommendations	Improvement Opportunities
1	Tenants and housing	93%	7%	21%
2	Housing assets	93%	7%	29%
3	Community	100%	0%	0%
4	Governance	100%	0%	7%
5	Probity	100%	0%	0%
6	Management	100%	0%	50%
7	Financial viability	86%	14%	29%
Compliant		The percentage of CHPs which have submitted sufficient evidence to demonstrate ongoing compliance with the performance outcome.		
Compliant with recommendations		The percentage of CHPs which have submitted sufficient evidence to demonstrate ongoing compliance with the performance outcome but need to take action to fully comply.		
Improvement opportunities		Percentage of CHPs which are compliant but need to take action to maintain compliance in the future.		

Source: (NRSCH, 2019-20)

In addition to social housing, SA Housing Authority's remit also includes affordable housing. SA Housing Authority provides financial assistance through PRA and home purchase assistance.

The AIHW report on housing assistance in Australia provides summary statistics on affordable housing, including PRA and home purchase assistance.

PRA is provided directly by state and territory governments to low-income households experiencing difficulty in securing or maintaining private rental accommodation. PRA is usually provided as a one-off form of support, such as bond loans and rental grants, but can also include ongoing rental subsidies and payment of relocation expenses. It is noted that the SA Housing Authority provides short term rental relief (up to 4 weeks' rent assistance in a 2-year period) and bond assistance.

As noted in Section 4.1.6.5, there is a decline in the number of households assisted over the review period. SA Housing Authority indicates this is because of decreased demand. The decreased demand is potentially a function of two external factors. Firstly, the lower success rate of low-income households who require PRA in securing a tenancy in a market where competition has increased. Secondly, COVID-

19 assistance schemes (including the moratorium on eviction for non-payment of rent and rent freeze) may have resulted in reduced movement of lower income households to new properties.

The nature of PRA offered varies between states and territories, with some products not offered by all states and territories (e.g. rental grants are offered by New South Wales, Queensland, South Australia and Tasmania, while relocation expenses are offered by Tasmania and the Australian Capital Territory). Therefore, it is difficult to compare South Australia's statistics (AIHW, 2021).

Home purchase assistance is a form of government financial assistance administered by each state and territory. It provides a range of financial assistance to eligible households to improve their access to, and maintain, home ownership. Home purchase assistance also varies from state to state and some products are not offered by all states and territories, hence making comparison across states difficult. In South Australia, for example, HomeStart Finance and Revenue SA provide home purchase assistance.

In 2019-20, 18,593 income units received home purchase assistance. The number of units receiving home purchase assistance has largely remained stable throughout the review period.

5.1.3   Progress against Homelessness Indicators

SA Housing Authority's performance against national homelessness indicators has improved over time and has been in accordance with the national average on most indicators.

The specialist homelessness services aim to promote wellbeing and independence for people who are homeless or at risk of homelessness. These services provide assistance which supports the homeless and those at risk of homelessness to achieve and maintain housing and social and economic participation. Governments typically seek to achieve these aims through funding specialist homelessness services. These services deliver transitional supported accommodation and a range of related support services that are accessible, identify and address individuals' needs as appropriate, are of high quality and are provided by qualified staff in a safe environment (Productivity Commission, 2020). In considering performance measurement, governments aim for specialist homelessness services to meet these objectives in an equitable and efficient manner and hence the national framework aligns KPIs to these categories in a manner similar to the housing framework.
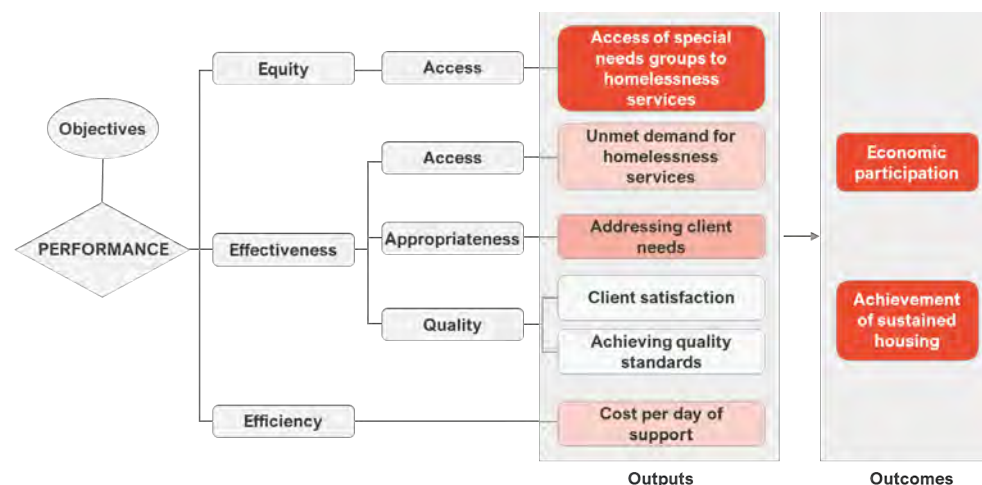
Figure 5-2: Performance Indicator Framework for Homelessness

Source: (Productivity Commission, 2021)

The RoGS performance indicator framework for homelessness includes 8 indicators. Data on two indicators (client satisfaction and achieving quality standards) was unavailable on RoGS and hence has been excluded from the analysis. In addition, the Authority indicated a few additional key metrics to be included, namely average daily unassisted requests for accommodation and independent housing before and after support where data was available on RoGS.

Table 5-5 shows the performance of South Australia over time and against the national average for the selected measures. As with housing services, the performance of South Australia was analysed across time and compared with the national average for the measures identified within the performance indicator framework. The methodology for the analysis is consistent with the methodology used for the housing indicators in the earlier section.

Table 5-5: Assessment of South Australia's Performance on Homelessness Indicators

#	Indicator	South Australia 2017-18	South Australia 2018-19	South Australia 2019-20	South Australia 2020-21	National average 2020-21	Progress over time	Progress compared to national average
1	Proportion of clients who were people with disability among clients with met demands for accommodation	4.8%	6.3%	4.1%	3.9%	3.1%	◯ [8]	◯
2	Proportion of clients with unmet need for accommodation	17.2%	16.6%	15.5%	14.7%	32.3%	●	●
3	Average daily unassisted requests for accommodation [9]	0.4	0.8	1.5	1.7	28.2	◑	●
4	Proportion of clients with accommodation/accommodation related needs where services were provided and/or referred	82.0%	82.5%	83.9%	84.1%	64.3%	◕	●
5	Recurrent expenditure, cost per support day	$36.26	$36.19	$37.94	$43.05 [10]	$43.98	◯	◕
6	Labour force status of employed clients aged 15 years or over (closed support periods) *Before support >>After support*	10.4% >> 12.2%	10.3% >> 11.9%	10.9% >> 12.2%	10.3% >> 12.2%	12.9% >> 14.9%	●	◕
7	Clients with independent housing *Before support >> After support*	48.5% >> 69.1%	47.3% >> 68.4%	49.6% >> 70.4%	48.2% >> 67.9%	52.9% >> 63.7%	◕	●
8	Proportion of clients who had repeat periods of homelessness	4.7%	5.0%	5.6%	6.3%	5.6%	◑	◑

Legend

● Progress on the metric has improved over time by >5%. South Australia's performance on the metric is better than the national average >5%. Methodology is explained in detail in section 5.1.2 above.	◕ Progress on the metric has largely remained constant over time. The performance on the metric is in accordance with national average. Methodology is explained in detail in section 5.1.2 above.	◑ Progress on the metric has deteriorated over time by >5%. Progress on the metric varies negatively by >5% compared to the national average. Methodology is explained in detail in section 5.1.2 above.	◯ Comparison over time is not feasible. Comparison with the national average is not feasible. Methodology is explained in detail in section 5.1.2 above.

Source: (Productivity Commission, 2021)

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[8] Comparison over time and against the national average is not feasible or appropriate, as this is purely an indication of the characteristics of the cohort supported by the Specialist Homelessness services and a proxy for the priority cohorts served.

[9] This metric is not part of the RoGS framework. However, RoGS publishes data on the metric, and it was identified by SA Housing Authority as a key metric.

[10] The increase in expenditure for 2020-21 is predominantly due to inclusion for the first time of apportioned indirect costs in administrative expenditure. This constitutes a time series break and therefore, has been treated as an anomaly.

The above table analyses South Australia's performance over time and against the national average on eight (8) indicators covering the equity, effectiveness and efficiency of services based on discussion with the Authority and the availability of data. Comparison was not feasible on one (1) indicator in relation to access for special needs groups, as this is purely an indication of the characteristics of the cohort supported by the Specialist Homelessness services and a proxy for the priority cohorts served.

In comparing South Australia's performance to the national average for 2020-21, South Australia has performed better than the national average on proportion of clients with unmet need for accommodation, average daily unassisted request for accommodation, proportion of clients with accommodation/accommodation related needs where services were provided and/or referred and clients achieving independent housing.

South Australia's performance is in line with the national average on cost per support day and on labour force status of clients after support. South Australia's performance is below the national average on proportion of clients who had repeat periods of homelessness.

South Australia's performance over time from 2017-18 to 2020-21 has improved on two (2) indicators – the proportion of clients with unmet demand for homelessness services and labour force status of clients supported. South Australia's performance has remained stable on two (2) indicators - the proportion of clients with accommodation/accommodation related needs where services were provided and/or referred and clients achieving independent housing.

South Australia's performance has deteriorated over time on two (2) indicators – average daily unassisted requests for accommodation and proportion of clients who had repeat periods of homelessness. In addition to the access for special needs group, comparison over time was not feasible on cost per support day, as the data for 2020-21 included apportioned indirect costs in administrative expenditure for the first time.

In the metrics where performance has deteriorated over time and is below the national average, of note is the increase in the proportion of clients who had repeat periods of homelessness. This may be due to increasing housing affordability stress but also points to an existing trend of increasing repeat intakes in South Australia. As highlighted in Appendix H, this demonstrates that the homelessness cycle is not being broken for an increasing number of clients and points to the importance of transitional services.

SA Housing Authority is cognisant of this trend and has initiated a reform agenda through the Future Direction for Homelessness strategy in order to link service providers, broader government and community resources to provide an integrated approach to address homelessness (SA Housing Authority, 2020).

It is important to bear in mind that these indicators are in several cases not comparable across time and across jurisdictions. These limitations, where relevant, have been noted in the table above. For example, the increase in recurrent expenditure per day in 2020-21 is primarily due to the inclusion of apportioned indirect costs in administrative expenses for the first time.

5.2 Improving Alignment of KPIs to Ensure Customers are Connected to the Right Services at the Right Time

Term of Reference	
O2	How can KPIs be better aligned across housing and homelessness services to ensure customers are connected to the services they need when they need to be successful in their tenancy and community?

5.2.1 Understanding a Successful Tenancy

The social housing and homelessness sectors serve complex needs and are intrinsically interlinked

The social housing and homelessness sectors play a pivotal role in meeting the housing and support needs of people who are vulnerable. While serving different cohorts, housing and homelessness are intrinsically interlinked.

Although social housing pathways are predominantly shaped by eligibility criteria, it is increasingly becoming common that having a very low-income alone is rarely enough to access social housing. In the context of the low supply environment, typically tenants have low-income needs coupled with other complex needs (i.e. disability, mental health conditions, experience of family violence and homelessness or at risk of homelessness). Homelessness or being at risk of homelessness is the most common pathway for entry into social housing because it is deemed as the 'highest need' (AIHW 2018).

Several factors drive housing instability and homelessness. They include market factors such as housing affordability and household factors such as adverse personal, social and economic circumstances.

Figure 5-3 below from the RoGS (RoGS, Productivity Commission, 2021) details the interlinkages between the role of housing and homelessness sector services in the pathways to secure housing.
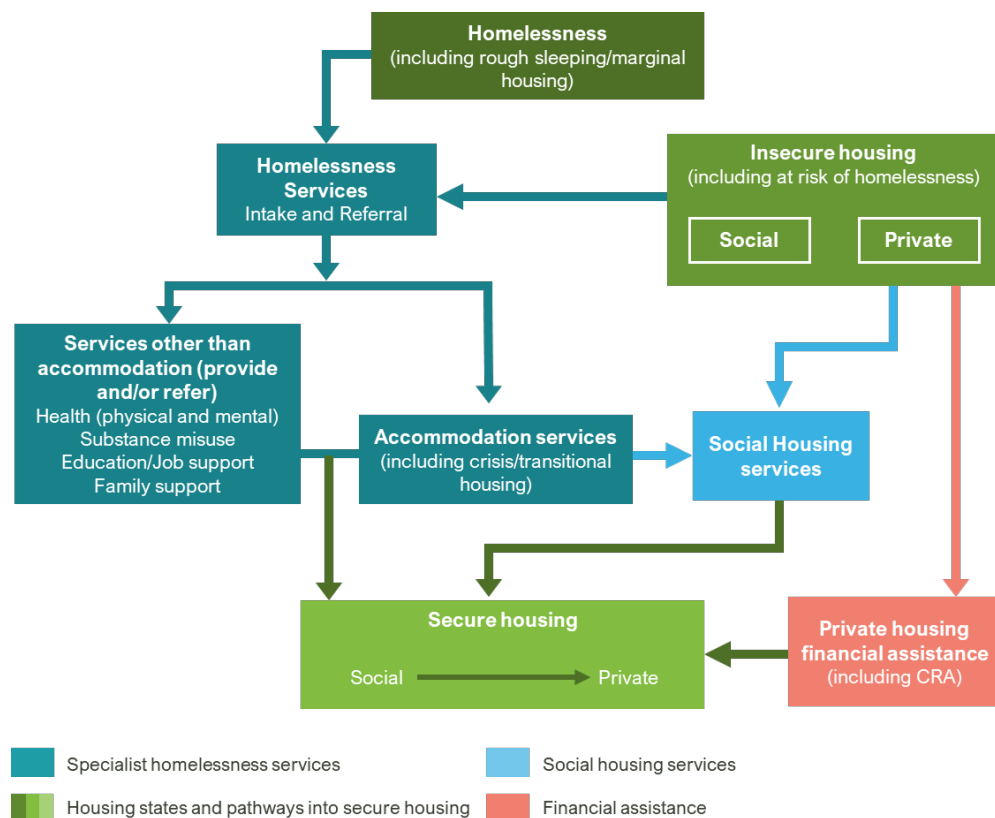
Figure 5-3: Role of Housing and Homelessness Sector Services in Pathways to Secure Housing

Source: (Productivity Commission, 2021)

Customers' pathways into and out of the housing and homelessness sectors are non-linear and complex

Customer pathways are highly individual and their mobility through the housing system changes based on their unique circumstances. Customers are also affected by housing providers and how policies are operationalised, the availability of stock, a lack of affordable alternatives and the broader social, economic and policy environment. Therefore, describing a successful tenancy is complex and difficult, as success is different for different customers.

AHURI published a report in 2020 - *'A pathway to where?'* (Muir K., et al., 2020) which provides insights into the current complex and non-linear pathways of customers within the sector. The inquiry aimed to understand how social housing pathways could be reimagined for more effective service delivery, supports and policies for people's housing outcomes. The key findings from the research included:

- While policies seek to increase exits and decrease waiting lists, a large proportion of tenants (43%) have lived in public housing for 10 years or more and the proportion of public housing tenants with tenures over 10 years has been increasing over the last decade (AIHW 2019a)

- Longitudinal data examined the stability, entries and exits of 10 million interactions with government services over 10 years using the Priority Investment Approach dataset and exhibited similar trends. It categorised people based on their movement and found that the largest group of social housing tenants (33.9%) were 'stable'. This category had remained in social housing for a 10-year period. They were also demographically different from the other groups in the dataset— they were more likely to be older, in receipt of an aged pension or a disability pension and out of the workforce.

- The examination of longitudinal data also revealed that 11.3% of exits from social housing were transitional (i.e. they left and returned, with several individuals having undertaken multiple entries and exits). Therefore, an exit out of social housing did not necessarily mean a successful stable housing outcome. Furthermore, on average, customers who fell into these transitional categories spent more time on social welfare/income support than those in the stable category.

- A clear finding from the research was that for tenants, and also for many providers across the four jurisdictions studied, social housing is not regarded as a stepping-stone but as a legitimate destination. For many tenants, the stability, security and sanctuary offered by social housing makes it a home. This sense of home is incompatible with a pathway model that promotes transition out of social housing as the most desirable outcome.

- Research recommended an approach of working from a 'preventative space' by providing social and affordable housing for low and very low-income people who do not yet have complex needs such as disability, poor physical or mental health, family violence, exiting institutions or being homeless or at risk of homelessness (Muir K., et al., 2020). It also recommended increasing the supply of social housing in recognition that social housing provides an infrastructure of care for tenants with complex needs.

Success is relative and depends on the degree to which it meets the individual needs of the person. An approach that places the 'customer at the centre' is key.

Typically, social housing pathways are characterised as either 'successful' or 'unsuccessful'. Successful social housing pathways assume that the tenants exit social housing to find stable housing options in the private market, either through rentals or affordable home ownership. Similarly, there is an implicit assumption that an unsuccessful pathway represents the tenant not exiting social housing or those who have multiple entries and exits from the system.

However, as indicated by research (Baker, E., et al., 2020), the success of the pathway should be judged not simply in terms of the pattern of housing occupancy, but in terms of the degree to which it meets the individual needs of the person housed. For many people, an unstable pathway may be a successful outcome. It can indicate that the safety net of social housing is no longer required (such as when a person enters full-time employment or secures home ownership). Similarly, a stable social housing pathway may be protective, providing affordable and secure housing to people unable to maintain a traditional tenancy.

The consultations with SA Housing Authority corroborated this approach. Given the changing profile of customers and their needs, the definition of a successful tenancy is also different for different customers.

An increase in customers with specialised needs (mental health challenges, customers from correctional services) also adds increased complexity to the definition of a 'successful tenancy'.

Thus a 'customer at the centre' approach - one that puts clients at the centre of their own management plan and acknowledges them as experts in their own lives - is essential to driving successful outcomes in social housing.

SA Housing Authority's practice framework provides a nuanced interpretation of this approach for the organisation. It considers the **client's right to autonomy** and includes:

- Giving them the right to make decisions and to drive their own plan.
- Working in partnership with the client, their social network, and other service providers.
- Being responsive to client feedback.
- A holistic approach, considering the individual needs of the client.
- Respect for diversity.
- Services that are adjusted to meet the client's needs.

In the sections below, the SA Housing Authority's current KPIs and the strategic framework in which they sit are discussed. Improved alignment across housing and homelessness services to ensure customers are connected to the services they need to be successful in their tenancy and their community is considered.

5.2.2 Current Measurement of KPIs

SA Housing Authority's performance measurement and reporting framework is informed by several key strategies.

SA Housing Authority has a broad remit, and its activities are informed by several key strategic documents which include SA Housing Authority's objectives committed to the South Australian Government and community. The key strategic documents informing the operations of SA Housing Authority and thereby, the performance measurement framework include:

- *Our Housing Future 2020-2030 Strategy* which sets the 10-year vision for the sector and aims to redefine and reform the housing system in South Australia over the next 10 years.
- The *SA Housing Authority Strategic Plan 2020-25* defines SA Housing Authority's focus over the next 5 years.
- Annual *Business Plans* which define the priority themes for the year and contain details of specific actions for the year to achieve the relevant outcomes.

Figure **5-3** below outlines the key strategic documents of relevance. Additionally, refer to Section 3.2.2 which describes these documents in further detail.
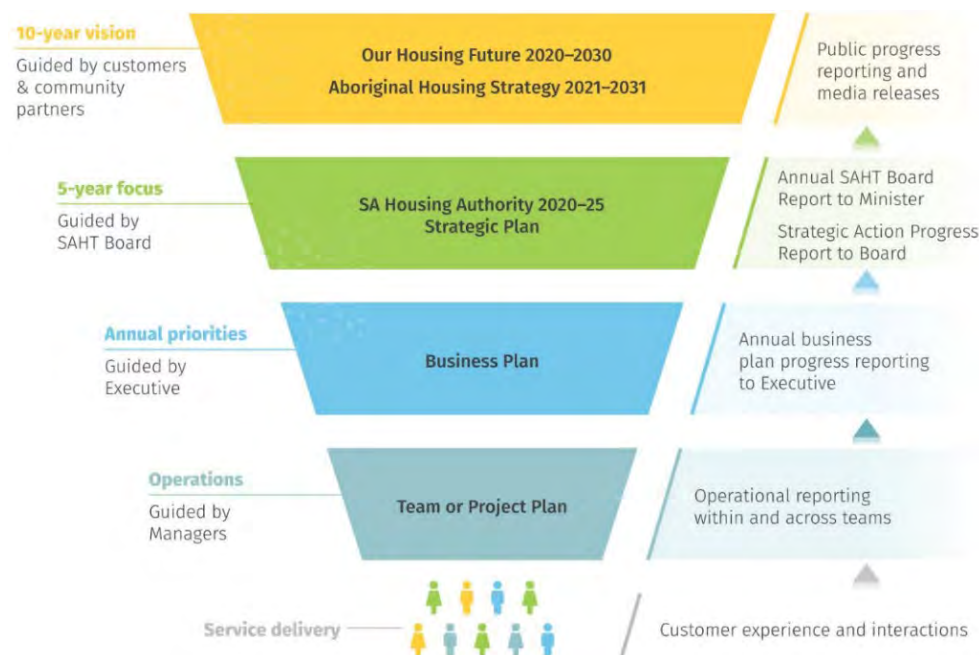
Figure 5-3: Key Strategic Documents

The *SA Housing Authority Strategic Plan 2020-25* developed in 2020 provides the framework for the most recent performance measures of SA Housing Authority.

The *Strategic Plan 2020-25* sets the roadmap for SA Housing Authority to 2025. It provides a vital framework to inform SA Housing Authority's actions and ensure that SA Housing Authority succeeds to ultimately deliver better housing choices for all South Australians.

As discussed in Section 3.2, SA Housing Authority has aligned its KPIs in the *Strategic Plan 2020-25* and the *Business Plan 2020-21* to the five key objectives within the Strategic Plan – Lead, Excel, Renew, Modernise and Transform.

Figure 5-4 below outlines the KPIs aligned to these key objectives with the *Strategic Plan 2020-25* and the *Business Plan 2020-21*.

Figure 5-4: SA Housing Authority Business Plan 2020-21

Source: (SA Housing Authority, 2020)

5.2.3 Assessing Alignment and Key Gaps

While the KPIs in the recent annual business plan align to SA Housing Authority's Strategic Plan, the KPIs have changed several times during the period of this Triennial Review

As noted previously, SA Housing Authority has undergone several changes during the period of this Triennial Review from 2018 to 2021. The 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, namely Renewal SA and the Department for Human Services.

The focus of the initial years was on establishment work as SA Housing 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.

In 2020, SA Housing Authority developed a state-wide and system-wide plan focusing on housing and homelessness through the development of the *Our Housing Future Strategy 2020-2030* and the *SA Housing Authority Strategic Plan 2020-25*. The KPIs in the most recent *Business Plan 2020-21* are therefore aligned to these strategies and the objectives enumerated in the documents.

An analysis of the KPIs presented in the annual business plans available for the duration of this Triennial Review highlighted that the KPIs have changed in each of the annual *Business Plans*.

The KPIs in the *Business Plan 2017-18* were more outcome focused, aligned to national indicators and had targets aligned to national averages. However, after the establishment of SA Housing Authority in 2018, the focus of the 2018 business plan was on key deliverables in relation to the establishment phase. For the year 2019-20, a business plan was not available and for the subsequent year, 2020-21, the KPIs were aligned to the indicators set within the *Strategic Plan 2020-25*.

The SA Housing Trust Board acknowledged the complexity of performance reporting and has initiated a performance reporting review

While the KPIs in the most recent annual *Business Plan 2020-21* are aligned to the *Strategic Plan 2020-25* and are detailed, they are complex and do not provide a succinct overview of the key outcomes desired by SA Housing Authority. **The *Business Plan 2020-21* has 18 KPIs, 44 initiatives and 125 deliverables**.

The South Australian Housing Trust Board approved the need for a performance reporting review in August 2021. The Board noted that the performance reports were complex and provide plentiful information, but do not quickly enable the Board to understand performance progress, risks or issues requiring attention at a strategic, tactical or operational level. The necessity for the review was informed by data quality issues and inconsistencies identified as part of the 2021-22 annual business planning process and in-progress Data Governance Review (SAHT, 2021).

The review is underway and is expected to be an iterative process to ensure the performance reporting supports effective and evidence-based decision making by the Board.

Given the linkages between this Term of Reference and the subsequent Term of Reference, recommendations have been summarised in consideration of both of the Terms of References in the next section.

5.3 Measuring Performance Going Forward

Term of Reference	
O3	What additional datasets and key performance indicators could be considered to inform performance?

As noted above, it is understood that SA Housing Authority is currently undertaking its own systematic review of its KPIs, as approved by its Board. To best support this review, recommendations were developed around the guiding principles and datasets which could inform SA Housing Authority's choice of performance indicators. These were based on a desktop analysis of cross-jurisdiction and national frameworks on performance measurement in the public housing and homelessness sectors.

5.3.1   Measuring for Success

National frameworks on measurement of success focus on 'outcomes' in addition to 'outputs'

Several national frameworks support a focus on outcomes in addition to a measurement of activities, resources and services provided. The Productivity Commission of Australia developed an outcomes-based framework for measurement which developed a common language for the not-for-profit sector on inputs, outputs, outcomes and impacts. The framework also considered the data availability and the attribution of activities to outcomes at a high-level (Productivity Commission, 2010).

Figure 5-5 below depicts the high-level framework developed for the not-for-profit sector.
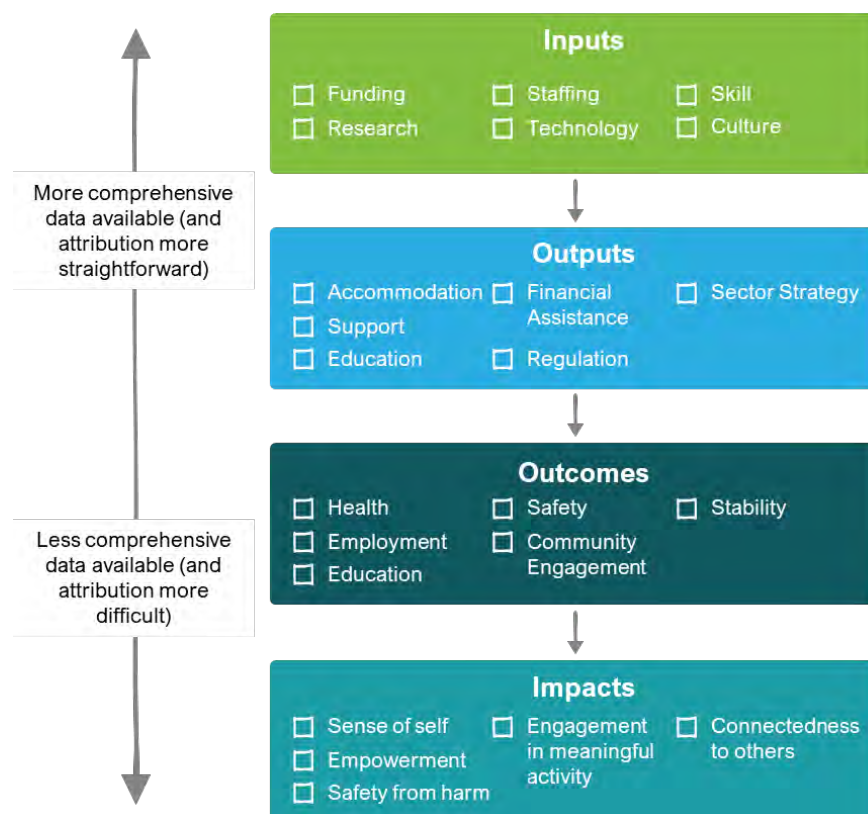
Figure 5-5: Outcomes Based Framework

Source: Contribution of the Not-for-Profit-Sector Productivity Commission Research Report

Comparable jurisdictions are moving towards outcome focused frameworks

There is considerable literature on the ways in which social housing and homelessness assistance can influence individual outcomes. An outcome focused framework articulates the positive effects or impacts that the sector seeks to enable for the customers and their families as a result of providing safe, secure and affordable housing and homelessness services. It helps in developing a common understanding of the needs of tenants and the role of housing in meeting these needs.

Several jurisdictions across Australia have developed an outcome focused framework to make the connections apparent between the services delivered, to how people/customers benefit and to the outcomes they ultimately achieve. These include Community Housing Industry Association Victoria's Community Housing Outcomes Framework and NSW Family & Community Services' Social Housing Outcomes Framework.

The Social Housing Indicator Framework developed by the Centre for Social Impact, builds upon and aligns with the NSW Family & Community Services' Human Services Outcomes Framework and the social housing outcomes framework. The framework provides the foundation for ongoing development and refinement of social indicators for the sector (Social Housing Indicator Framework, 2017).

The following case study provides an example of the use of an outcome focused framework to develop KPIs.

Case Study: NSW's human services and Social Housing Outcomes Framework

NSW's Human Services Outcomes Framework identifies seven high-level wellbeing outcome domains – social & community connection, education, empowerment, economic outcomes, health, safety and access to housing. NSW developed a **Social Housing Outcomes Framework** (below) which aligns to the Human Services Outcomes Framework and demonstrates the interconnections between the outcomes in housing to the other six domains.
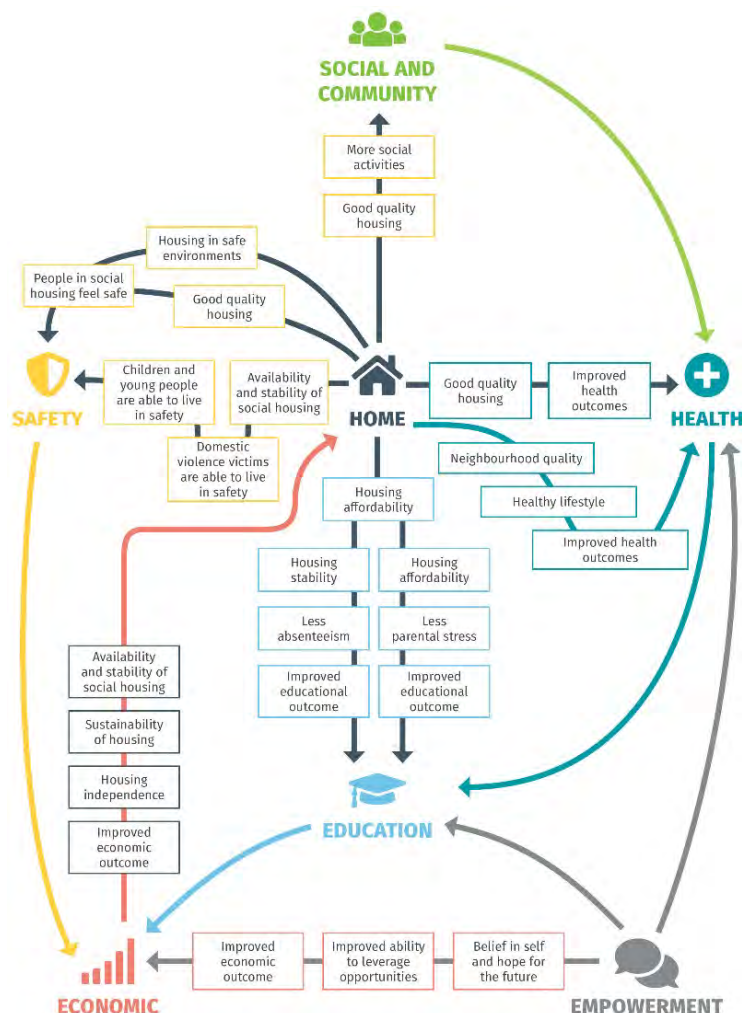
Figure 5-6: Social Housing Outcomes Framework

Source: NSW Government Family & Community Services, 2016

NSW has developed a bank of outcome based indicators linked to the Social Housing Outcome Framework. The key indicators chosen are illustrated in the table below.

NSW is also in the process of developing a systemic proves to map data sources to the KPI bank.

Table 5-6: NSW Outcome Based Indicators

Indicators for core client outcomes	
People have stability in their home	**People are able to live independent from housing support**
Proportion (%) of children and young people in Out-of-Home care who have had 2 or fewer placement changes in the last 12 months.	Number of people that negatively exit out of the social housing system.
Proportion (%) of homeless people who move from Specialist Homelessness Services to stable accommodation.	Number of people that neutrally transition out of the social housing system.
Proportion (%) of people who are homeless.	Number of people that positively transition out of the social housing system.
Proportion (%) of people who report being secure in their accommodation.	**Aboriginal people are able to live on Country or in a community of belonging.**
Proportion (%) of people with frequent housing changes.	Proportion (%) of Aboriginal people who have family living in their neighbourhood.
Proportion (%) of people in Transitional Housing.	Proportion (%) of people who have amenities that meet their needs.
Proportion (%) of clients experiencing homelessness who had repeat periods of homelessness.	Proportion (%) of people who live in dwellings considered overcrowded.
Housing is appropriate to occupant's needs.	**People live in housing with good condition and with good access to local facilities and services.**
Proportion (%) of Aboriginal people who report that their home meets their cultural needs.	Proportion (%) of people living in homes of acceptable standard.
Proportion (%) of people who have amenities that meet their needs.	Proportion (%) of people living in homes that meet safety standard.
Proportion (%) of people who live in dwellings considered overcrowded.	Proportion (%) of people satisfied with the home they live in.
Housing is affordable for people.	
Proportion (%) off people in the bottom 40% of the income distribution whose housing costs exceed 30% of income.	

Source: NSW Government Family & Community Services, 2016

In order to support an outcome focused performance framework with the 'customer at the centre,' guiding principles have been developed below based on a review of comparative jurisdictions and stakeholder consultations:

- The framework and KPIs should be **outcome-focused.**

- The KPIs should be **aligned with existing national frameworks** (e.g., National Affordable Housing Agreement, Productivity Commission's Report on Government Services) and **strategic objectives of SA Housing Authority.**

- The pathways to outcomes should place the **'customer at the centre'** and respect their agency and initiative in shaping their outcomes.

- The KPIs should be **consistent** to enable a clear visualisation of outcomes trajectory over the years.

- The KPIs should be **clear and measurable** with defined linkages to data.

- The KPIs should be supported by a **systematic approach to mapping of existing internal and external datasets,** which is critical for the implementation of the performance framework.

The effectiveness of the performance framework would depend on the availability of datasets to allow for the measurement. There are several databases for housing and homelessness, including the RoGS and the AIHW dashboard which could be leveraged to support the measurement of the KPIs identified by SA Housing Authority. Table 5-7 provides a list of national datasets available to potentially assist the measurement of the KPIs within SA Housing Authority's framework which are also used to support AIHW's housing dashboard (AIHW, 2022).

Table 5-7: List of National Datasets Available for Potential Use

Data	Source Dataset	Approximate Update Frequency
- Household mean weekly housing costs - Housing costs as a proportion of household income (ABS) - Low-income rental households in rental affordability stress - Household tenure - Household estimates	ABS: Housing Occupancy and Costs	Early 2022 (biennial)
- Tenant satisfaction with services - Housing amenities - tenant ratings	AIHW: National Social Housing Survey	May 2022 (biennial)
- Dwellings, households and household occupants - Dwellings by Remoteness Areas - Wait lists - Suitability of social housing size - Financial assistance for housing	AIHW: National Housing Assistance Data Repository	August 2022 (annual)
- Rental Affordability Index - Rental Affordability Index – postcode	SGS Economics & Planning: Rental Affordability Index	November 2022 (annual)
- Homelessness services - client characteristics - Homelessness services - housing outcomes	AIHW: Specialist Homelessness Services Collection	December 2022 (annual)
- Homeless estimates - personal characteristics - People in other marginal housing - Homeless estimates – geography	ABS: Census of Population and Housing: Estimating homelessness	Early 2023 (quinquennial)
- Housing costs as a proportion of income (HILDA) - Low-income households in housing affordability stress - Persistence of housing affordability stress, low-income households	The Household, Income and Labour Dynamics in Australia (HILDA) Survey	Annual

Once the KPIs have been identified by SA Housing Authority, a systematic approach will be required to identify the appropriate data sources required and the methodology underpinning the calculation of each KPI.

Figure 5-7 showcases an example methodology from a comparable jurisdiction on mapping of data to the KPI bank. The methodology provides an example of a systematic approach aligning the core outcome, the indicator used, the calculation approach for the indicator and the data sources utilised.

Core Outcome	Outcome Indicators
People have stability in their home	Proportion (%) of homeless people who move from Specialist Homelessness Services to stable accommodation
Data Source	DCJ data
Indicator measure	Housing type at end of service from options of: Unstable housing at start but achieved stable housing last reported Unstable housing at start but did not achieve stable housing last reported Other housing last reported/not stated
Measure source	Existing DCJ measure
Data report	CIMS
Data elements	Person's housing stability type at end of service contact
Counting rules	Numerator: Number of people who had housing stability type at end of service contact as = Unstable housing at start but achieved stable housing last reported Denominator: Total number of people who access Specialist Housing Services

Figure 5-7: Example of Indicator Bank

It is noted that there is currently a cross-jurisdiction activity underway (led by the Commonwealth Government) to improve the data collection for the housing and homelessness sector. AIHW is leading development of a Housing and Homelessness Data Improvement Plan with states, territories and federal agencies, with the expected implementation timeline of the initiatives identified running through to 2023 (Federal Financial Relations, 2021). It is expected that SA Housing Authority is integrating the outcomes of its KPI review with this cross-jurisdictional review.

5.4 Emergency Relief Response - Supporting Customer Needs

Term of Reference	
O4	In the context of emergency relief responses including COVID-19, how has SA Housing Authority responded to customer needs?

5.4.1 SA Housing Authority's Role in Emergency Management

SA Housing Authority's responsibilities within emergency management go beyond the provision of shelter to communities

SA Housing Authority is the **lead agency responsible for the Emergency Relief Functional Support Group** (ERFSG), at the direction of the SA Government, under the State Emergency Management arrangements. The ERFSG delivers relief and recovery services for affected communities during and after an emergency/disaster (e.g. bushfire, flood or earthquake).

While not an emergency specialist, SA Housing Authority is well placed to support the community, given its extensive footprint across the state and its expertise with case management related to providing accommodation to people under different life circumstances.

SA Housing Authority has a broad remit based on its roles and responsibilities specified under the Emergency Management Act.

Figure 5-8 details the role and responsibilities of the ERFSG, which is led by SA Housing Authority, according to the State Emergency Management Plan Part 2: Arrangements, as exhibited at the Royal Commission into National Natural Disaster Arrangements (Government of South Australia, 2018):
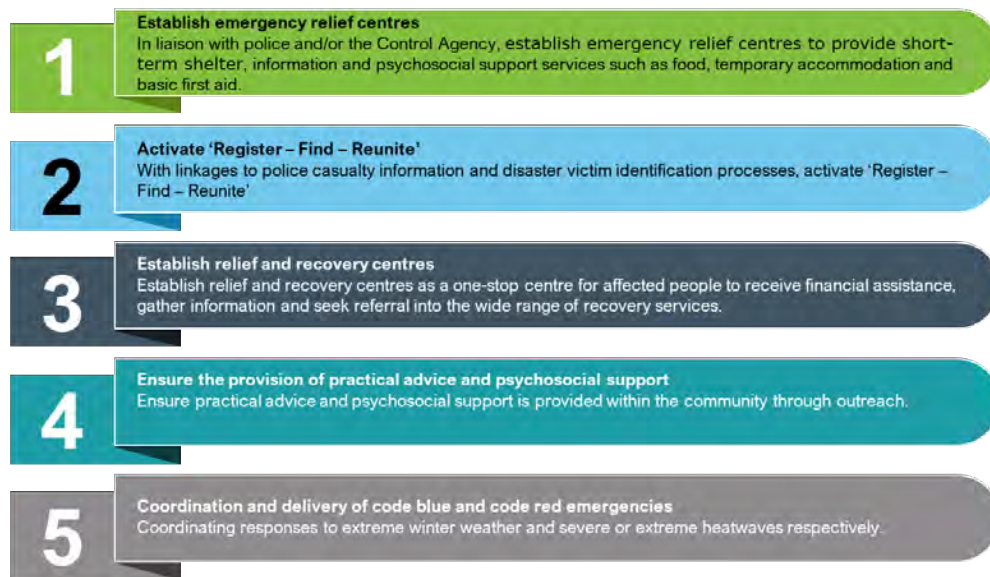
Figure 5-8: ERFSG's Responsibilities

Figure 5-9: ERFSG Organisational Structure

SA Housing Authority has also entered into Memoranda of Understanding (MOUs) in areas where SA Housing Authority does not have a footprint to ensure relief centres and recovery centres are available within these regions.

SA Housing Authority's concern regarding the response to emergencies placing pressure on its existing staff and resources who are otherwise assigned to housing and homelessness activities is acknowledged. However, the allocation of funding and resources for SA Housing Authority's emergency response effort has not been analysed within the scope of this Term of Reference.

5.4.2 Best Practice Emergency Response

A recent Royal Commission into National Natural Disaster Arrangements provides some relevant context to the complexity and the long-term impact of emergencies on communities and therefore, implications for emergency relief and response arrangements.

The recovery from an emergency focuses on addressing the diverse needs of individuals and communities after a disaster. A full recovery process goes beyond providing financial assistance and may continue for years, bringing together governments, non-government organisations, businesses and communities (Royal Commission, 2020).

Understanding the impact of the disaster on the affected communities is critical to enable a response suited to customer needs.

Recovery is a complex and multi-layered social and developmental process that should address individual needs. Recovery is optimised when the community is placed at the centre of the process.

Key factors for successful recoveries usually include (Australian Goverment, 2020):

Overall, SA Housing Authority's responsibilities within emergencies go beyond the provision of shelter to communities. Given the broad remit, SA Housing Authority partners with specialised organisations that cover provision of services outside the housing spectrum. These include:

- Red Cross.

- Disaster and Recover Ministries.

- Save the Children.

- Lions Australia.

- Rotary.

- Foodbank.

- Bushfire Legal.

- Uniting Communities (Northern Country).

- AC Care (Southern Country).

- Junction Australia (Kangaroo Island).

- Understanding the community's context.

- Recognition of the complex and dynamic nature of natural disasters and the communities they have impacted.

- Community-led approaches that are responsive and flexible, and that engage communities and empower them to move forward.

- A planned, co-ordinated and adaptive approach based on continuing assessment of impacts and needs.

- Ensuring effective communication with affected communities and other stakeholders.

- Recognising, supporting and building on community, individual and organisational capacity.

The Royal Commission Report provides a useful framework for the full recovery process with four key phases, from ongoing planning to transition to business as usual (Australian Goverment, 2020). This is detailed below in Figure 5-10.
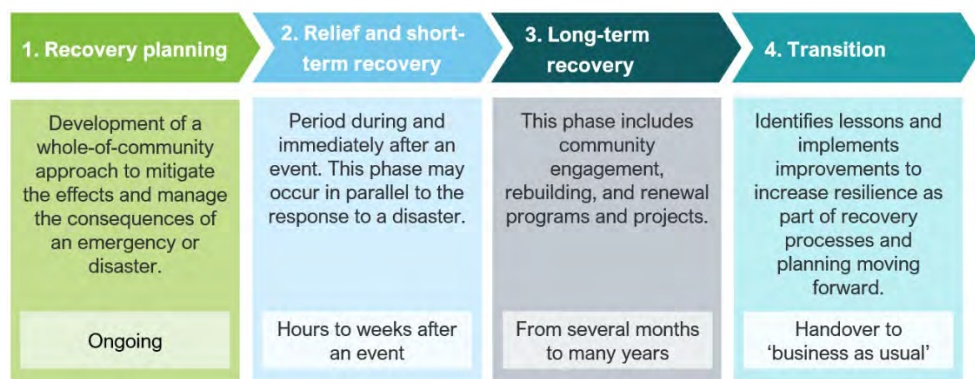
Figure 5-10: Full Recovery Process Phases

Although the scope of the above four-phased approach (Figure 5-10) goes beyond the remit of SA Housing Authority's Emergency Relief Response, there are some best practice behaviours that are of note in each of the phases. The table below summarises the key facets of best practice emergency response behaviours across each of these four phases, according to the Royal Commission Report.

Table 5-8: Emergency Relief: Best Practice Behaviours

Phase	Description
Recovery planning:	- Ensure ongoing preparedness for emergency events - Planning for general emergency events and event specific recovery plans - Provide relevant training to stakeholders that may need to action emergency relief responses.
Relief and short-term recovery:	- Perform rapid impact assessment - Early relief and emergency assistance - Recovery needs assessment - Short-term planning that will allow a smooth transition for phase 3.
Long-term recovery:	- Awareness of the medium to long-term impact of the emergency in the community - Continuity of support until well after the affected community is able to manage on its own.
Transition:	- Lessons learnt identification - Planning and implementation of improvement opportunities identified.

5.4.3   Responding to Customer Needs During Emergencies

In order to understand SA Housing Authority's response to customer needs, case studies (enumerated below) on relief responses during the review period were considered. An analysis of Parliamentary Briefing Notes (PBNs) Estimates Briefing Notes (EBNs) and stakeholder consultations were undertaken in relation to these emergency events. The stakeholder consultations did not include the experience of customers who had received emergency relief or SA Housing Authority's partner organisations and were limited to staff members from SA Housing Authority.

While this limits the ability to fully assess SA Housing Authority's response, consultations included a discussion of best practice emergency response in relation to these events.

Where information is available, the funding provided for emergency relief efforts has been noted. However, the adequacy or suitability of that funding for meeting customers' needs or delivering emergency relief efforts has not been assessed.

Relevant emergency events where customers were assisted by SA Housing Authority during the review period are outlined below.

OPERATIONAL PERFORMANCE

Table 5-9: Relevant Bushfire Assistance Provided by SA Housing Authority during the Review Period

Bushfire Responses

- SA Housing Authority assisted households affected by the 2019-20 fire season. Support provided included financial help and accommodation. SA Housing Authority partnered with other organisations such as the Red Cross to provide specialised psychological support to people exposed to higher degrees of trauma.

- **Key information:**

  - **Six relief** and **three recovery centres** were established.

  - **$1.9m** over three years to provide **temporary housing** for people who lost their homes.

  - **8 temporary housing pods delivered in 2020** to support people to remain on their properties while they rebuild them.

  - $1.4m in FY 2019-20 and **$900k** in FY 2020-21 to establish and manage **local recovery centres** in Lobethal and Parndana.

  - **$2.9m** in FY 2019-20 for **personal hardship and re-establishment grants** for people impacted by the 2019-20 bushfire events.

  - **3,032** emergency grants provided

Table 5-10: Relevant Hailstorm Assistance Provided by SA Housing Authority during the Review Period

Hailstorm Responses

- SA Housing Authority supported this emergency by providing outreach support through visits to affected households and assessing their respective needs. Outreach services were provided by volunteers from Australian Red Cross and Disaster and Pastoral Ministries.

- **Key information:**

  - On November 2019, a damaging hailstorm passed through areas of South Australia, where crops, fruit and vineyards sustained damage from large hail.

  - The ERFSG assisted Primary Industries and Regions South Australia (PIRSA) to coordinate outreach services to support communities in the Riverland area following the hailstorm event.

  - Outreach teams were responsible for assessing residents' needs and providing personal support through:

    o Provision of a basic check using a care and comfort approach.

    o Referring people to further public services following priority levels.

    o Completing an assessment of individual and community needs.

    o Informing future recovery planning.

Table 5-11: Relevant Flood Assistance Provided by SA Housing Authority during the Review Period

Queensland Floods Support

- SA Housing Authority indicated that it deployed staff to Queensland on two occasions: 2017 (Cyclone Debbie) and 2019 (Townsville floods).

- **Key information:**

  - During the 2019 floods:

    o There were 2 deployments to Townsville, both consisting of 15 staff.

    o The deployments were for 14 days – 1 day travel either way, 5 days on, followed by 2 days off then 5 days on.

    o The group key activities focused on providing outreach service to community members who were affected by the floods. This included assisting with completing forms, referrals for support and welfare checks.

Table 5-12: Relevant COVID-19 Assistance Provided by SA Housing Authority during the Review Period

COVID-19 Related Support

Urgent relief was required to assist people who were homeless throughout the pandemic. However, it was identified that the services required during COVID-19 were primarily health rather than emergency relief. Due to the unprecedented circumstances of the pandemic, SA Housing Authority's Emergency Relief team were nonetheless engaged in the delivery of services for people affected by the pandemic. Responsibilities were shared across different sectors, with COVID-19 support not identified as emergency relief nor as standard homelessness support.

Lockdown Rough Sleeper Response:

- Processes to support people experiencing homelessness or domestic and family violence to stay in hotel/motel accommodation for the duration of the lockdown were organised.

- Specialist homelessness services provided support for people in accommodation, including food and other practical supports, as well as case management where applicable.

- To facilitate exits for people accommodated during the lockdown, SA Housing Authority developed a transitional process.

- The accommodation was facilitated through a range of pathways, including Specialist Homelessness Services, Homeless Connect SA, the Domestic Violence Crisis Line and regional the Domestic and Family Violence service provider.

- Where possible, existing Emergency Assistance Program panel providers were used. Non panel providers were able to be utilised where required.

COVID-19 Related Support

Emergency Accommodation Rough Sleeper Response:

- The South Australian Government spent an additional $8.2m to provide housing and support to SA during the height of the pandemic.

- 500+ adults were provided emergency accommodation.

- 250+ exited into more stable accommodation with a support package.

- This support package included connecting people to necessary services and long term supports to be successful in their tenancy.

- The response has seen 252 people transitioned into longer term housing options with support packages (Authority properties, community housing, private rental, supportive housing, return to rough sleeping, hospitals, boarding houses, or unknown).

- Two group quarantine facilities provided to support culturally appropriate options for displaced Aboriginal people to return safely.

- Contracted Baptist Care for the use of Mylor Camp to support vulnerable women and children from the APY lands.

- ERFSG established a relief call centre at the Croydon Park regional office on the 28 March 2020.

COVID-19 Relief Call Centre:

- A COVID-19 Relief Call Centre was set up to help people affected by the COVID-19 emergency. The call centre provided information and assistance pertaining to:

  – Personal hardship support.

  – Advice on short-term accommodation options for people unable to achieve self-quarantining or self-isolation.

  – Accommodation for emergency services personnel who were required to quarantine but unable to do so at home.

- Emergency accommodation was provided for people who were required to self-isolate but were rough sleeping. This included support from outreach services and assistance with meals.

- Funding to Specialist Homelessness Services to provide case management support to those rough sleepers in emergency accommodation to transition to longer term sustainable accommodation.

- Accommodation and transport for Indigenous community members required to quarantine prior to returning to remote communities.

Emergency relief is a challenging and evolving field, particularly considering the unexpected nature of the COVID-19 pandemic. As previously mentioned, the assessment of performance within this context is limited due to the lack of customer feedback and of other stakeholders involved in emergency relief. Based on the context shared and the stakeholder consultations, the below observations were noted:

Best Practice Behaviour 1: Staff training

SA Housing Authority provided training to the ERFSG to explain roles and expectations within the team. Training feedback was requested and documented, which can be used to support the improvement of future trainings to be delivered. This behaviour supports the ongoing preparedness for emergency events required in the planning phase of emergency relief.

Best Practice Behaviour 2: Review of internal processes

SA Housing Authority highlighted that, during the COVID-19 pandemic, internal processes were reviewed to reduce internal touch points when requesting emergency relief support. This aimed to increase process efficiency and lead to better customer experiences. This behaviour supports the relief and short-term recovery as it acts on the improvement opportunities identified by a rapid impact assessment.

Best Practice Behaviour 3: Relief hotline

Due to the uncertainty brought by the pandemic, a call centre was established to improve customer experiences for those affected by the COVID-19 pandemic. This behaviour supports the relief and short-term recovery as it acts supports early relief and emergency assistance.

In addition to the best practice behaviours, several opportunities for improvement were also observed. It is noted that these opportunities have not yet been assessed by SA Housing Authority.

Opportunities for improvement identified during the review include:

Opportunity 1: Capture formal feedback from customers

To ensure the 'customer at the centre' approach is delivered, it is important to analyse how customers feel about the services received. Feedback could be recorded during the exit interviews that are performed at the end of the service delivery and analysed once the emergency response has been finalised, ensuring a proactive improvement process.

Opportunity 2: Capturing baseline data about emergency response

SA Housing Authority might be able to capture baseline data from its emergency relief operations in order to provide a baseline or benchmark for future emergency relief responses. For example, this might pertain to waiting times for relief of assistance, number of customers housed within a 24 hour period etc.

Opportunity 3: Automation of services

To improve customer experiences and increase efficiency, internal services such as electronic grant transfers could be reviewed and automated.

5.5 A Service Model - Fit for the Future

<table>
<tr><td colspan="2" style="background:#8bc34a">**Term of Reference**</td></tr>
<tr><td>**O5**</td><td>What level of specialisation of service model and supports are required to enable successful tenancies within a public housing context?</td></tr>
</table>

5.5.1 The Current Service Model - a Multi-Provider System

As mentioned in the previous sections, SA Housing Authority's responsibilities are broad and vital for the social housing system in South Australia. **With the aim of better designing, funding and delivering the services it is responsible for, SA Housing Authority has been moving towards a multi-provider housing system.** SA Housing Authority's vision of a multi-provider system places the 'customer at the centre', while acknowledging the multiplicity of actors in the public housing sector.

The desire of becoming a multi-provider system has been evident since the *Housing Strategy for South Australia 2013-18* was released in November 2013, where growing the community housing sector via CHPs was one of three major objectives. The key goals of transferring the properties included placemaking and maintenance, as well as development and asset renewal.

The transition to a multi-provider system is a complex process.

The Triennial Review from 2010-2013 recommended the development of a 10 to 15-year strategic plan to manage the transition to a multi-provider system in South Australia, which should include risk assessment and risk management to support a successful transition. This is still to be developed, which means that the objectives and risks of this transition may not be clear. It is essential that SA Housing Authority follow this recommendation to support this multi-layered process.

The multi-provider system has been described in earlier chapters of this report. While it incorporates referral pathways and multi-trade contractors, this chapter focuses on the role of the CHPs in the multi-provider system. This is an area recommended for greater specialisation and refinement of the service model to enable successful tenancies, with a focus on placing the 'customer at the centre' of the multi-provider system.

Between 2018 and 2019, 5,149 public housing properties were transferred to CHPs. As part of the transfer deeds with the CHPs, SA Housing Authority required each CHP to produce a 10-year *Financial Investment and Asset Plan* that outlines development outcomes and maintenance expenditure and three-year plans that provide project level detail. As part of these plans there is a requirement to replace 398 properties with 1,141 new properties with an associated capital investment of $287.6m resulting in a net increase of 743 properties. Estimate briefing notes provided by SA Housing Authority show that CHPs are currently meeting their targets for FY 2020-21 with 122 new properties completed, 58 of which have been retained by SA Housing Authority.

As the multi-provider model evolves, one of the key questions is the extent to which SA Housing Authority should retain responsibility for both tenancy and asset management, or transfer responsibility to CHPs. This is a particular consideration given the following:

- Increasing vulnerability of tenants, a theme discussed in the previous Triennial Review which continued to be raised during stakeholder consultations.

- Predominance of individuals and single parent families among tenants, which results in a mismatch between tenant needs and SA Housing Authority's existing housing stock.

- Maintenance backlog, which is expected to grow given the ageing housing stock of SA Housing Authority.

Section 6 includes further discussion on how the changing customer profile, maintenance backlog and mismatch between the existing housing stock and customer needs impacts SA Housing Authority's financial sustainability.

Section 5.5.2 below describes the different approaches to asset and tenancy management in the public housing sector and discusses the advantages and disadvantages of each.

5.5.2 Best Practice Models of Service Delivery

The allocation of asset and tenancy management roles and responsibilities is a key feature of public housing models. There are different approaches to ensuring successful tenancies in a public housing context. Some approaches seek to integrate asset management and tenancy management functions while others separate these functions out.

Figure 5-11 and Figure 5-12 illustrate two different approaches. At present, SA Housing Authority relies upon an integrated model, as it undertakes both asset and tenancy management functions. Both models have been used across Australian jurisdictions. It is relevant to consider which approach is best at enabling successful tenancies in a public housing context, which includes not only placing the 'customer at the centre' of the public housing model but also ensuring its financial sustainability. Financial sustainability is discussed in more detail in Section 6.
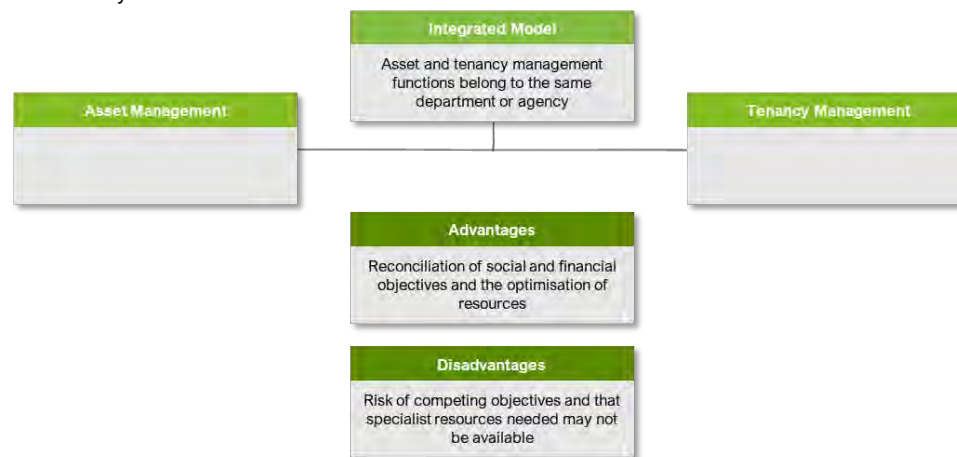
Figure 5-11: Integrated Model
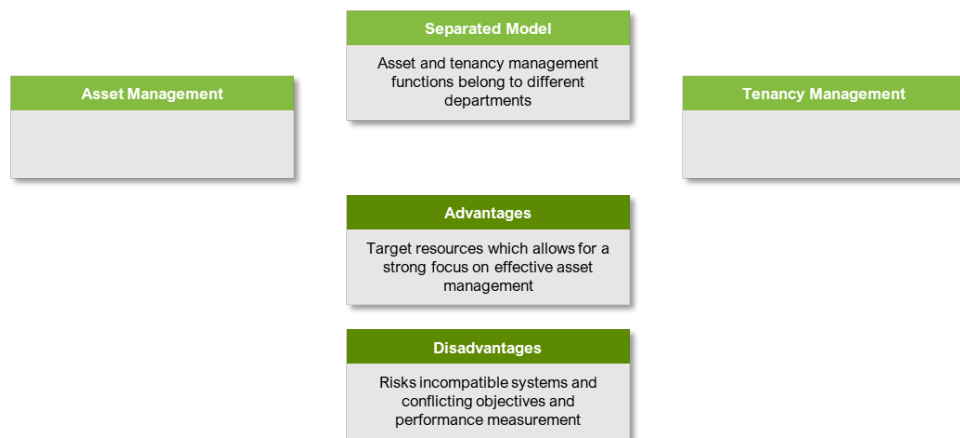
Figure 5-12: Separated Model

While the integrated model has perceived operational advantages through the synergies that may occur by retaining asset and tenancy management, a key weakness of the integrated structure is the potential lack of specialist resources. This has become more relevant as the need for specialised service providers grows, due to the increasingly complex needs of tenants (Vevers, 2014). An example would be the rehabilitation of people exiting the correctional service environment. Stakeholder consultations highlighted the complexity of needs in such cases, requiring SA Housing Authority to balance community needs with the needs of the individual.

Housing authorities have increasingly transferred tenancy management to CHPs

This need for specialisation has increased the interest of public housing authorities in the CHP sector, as these providers tend to have more flexibility than governmental organisations. This has led to the increasing prevalence of the separated model, where public housing authorities retain asset ownership, while tenancy management responsibilities (and sometimes asset management responsibilities) are transferred to CHPs. Some CHPs specialise in particular sectors such as family and domestic violence or housing for people with disabilities and thus provide particular skills and services that cater to the specific needs of that tenant cohort.

In addition to the potential for specialisation, some of the other advantages of transfers to CHPs include:

- Potential for improved operational efficiency and service delivery.

- Potential for improved tenant satisfaction, on account of a responsive and specialised delivery model.

- Financial advantages conferred upon CHPs due to their not-for-profit and non-governmental status e.g. access to Commonwealth Rent Assistance[11] and tax benefits.

- The potential for CHPs to leverage their existing stock through private sector investment, thereby increasing overall housing supply.[12]

- The ability of CHPs to renew communities through community engagement and a resident-influenced approach.[13]

It is acknowledged that access to Commonwealth Rent Assistance might be perceived as a cost-shifting exercise by transferring costs from the South Australia Government to the Commonwealth Governments, as might be the tax implications of CHPs non-profit status. However, it is beyond the scope of this review to consider where the responsibilities for funding public housing should lie.

CHPs are undertaking tenancy and asset management and showing positive results in both

A significant increase in transfers to CHPs has been observed across Australia in the past decade. From 2010-2020, the number of properties managed by the CHP sector grew from 44,329 to 100,205 (Productivity Commission, 2020). Transfers to CHPs can occur either through a:

- Contractual delegation of management, or as

- Asset transfers where the social housing asset is transferred to the CHP.

New South Wales, Victoria and the Northern Territory have utilised both a management and asset transfer, with the majority of transfers to CHPs (72%) being management transfers. The preference for management transfers, as opposed to title transfers, might be due to asset transfers adversely affecting state and territory balance sheet positions. The mechanics of the transfers may vary across each jurisdiction, as each state and territory can define their own transfer programs and policies.

Reviews have been conducted which examine the efficacy of transfers. For example, the Tasmanian Audit Office assessed the outcomes of the transfer of 4,000 properties to CHPs. The review concluded that the integration of services was effective, provision had improved (although this could be attributed to the introduction of a single-wait list and more integrated services), and that the transfer reduced maintenance expenditure to the government by 46% (Tasmanian Audit Office, 2016).

Similar positive findings were observed by the UNSW Social Policy Research Centre, which evaluated South Australia's Better Places Stronger Communities program. This program resulted in the transfer of public housing dwellings to the community housing sector. That review found that the transfer resulted in improved property conditions and greater tenant outcomes (Blunden, H., et al., 2017).

There may be a link between tenant outcomes and the financial benefits conferred on CHPs (because of their not-for-profit and non-governmental status). For example, AHURI observed in its 2020 report *Social*

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[11] It is beyond the scope of this report to discuss eligibility for Commonwealth Rent Assistance in detail, nor areas of potential reform. For a full discussion, see the AHURI report Demand-side assistance in Australia's rental housing market: exploring reform options (Ong, 2020).

[12] Proponents of transfers suggest that access to Commonwealth Rent Assistance and transfers, either on a long-term basis or through title transfer, add to the capacity for CHPs to engage in leverage for additional supply. The extent to which this ambition has translated into actual supply has not been subjected to detailed evaluation.
[13] This approach is enshrined in the Housing First Principles and in the National Regulatory Code for CHPs.

housing exit points, outcomes and future pathways: an administrative data analysis that there may be financial incentives for CHPs to develop positive relationships within the community and liaise with tenants in order to get eligible tenants to sign up for Commonwealth Rent Assistance. This not only results in positive financial outcomes for the tenant and CHPs but may also promote greater tenant outcomes (Baker, E., et al., 2020).

It is noted that some transfers from public housing authorities to CHPs have not provided the expected benefits. In 2008, the Victorian Government undertook an asset conversion strategy by transferring the title of 575 CHP managed dwellings to eight registered CHPs. The objective was to increase the asset base of the CHPs and enable them to leverage this asset base through borrowings. The Auditor-General evaluated this transfer in 2010 (Victorian Auditor-General's Office, 2010). While government expenditure was reduced, tenant satisfaction did not change, as tenants were already managed by the CHP. Because the CHP was already receiving tenant income, the transfer did not enable the CHPs to increase their income and consequently, the CHPs were unable to accrue sufficient income to borrow against their asset base.

While the Tasmanian Audit office and the UNSW Social Policy Research Centre did find greater levels of tenant satisfaction in CHPs, an analysis of the National Social Housing Survey by the AIHW suggest that factors such as dwelling condition, time in social housing and household composition may account for the difference in tenant satisfaction. The research suggests that, if these factors are equal, tenants in CHP properties are only slightly more likely to be satisfied (AIHW, 2019).

Although the research may suggest that public housing authorities can theoretically obtain similar levels of tenant satisfaction as CHPs, this is dependent on the ability of public housing authorities providing the same dwelling condition as CHPs currently have. This may not be the case: a study comparing the two sectors found that 20% of public housing properties were in an unacceptable condition[14] compared with only 11% in community housing (Australian Government Productivity Commission, 2016). Similarly, the AIHW noted a slight difference in the number of major structural problems in public housing compared to community housing, with 42% of dwellings in ongoing public housing having at least 1 structural problem compared to 34% in ongoing community housing (AIHW, 2019). One explanation of the difference in asset or dwelling condition might be due to the financial advantages that CHPs have in terms of accessing Commonwealth Rent Assistance and other taxation advantages.

While not a comparative analysis between CHPs and a fully integrated model, it is important to note that CHPs are meeting tenant satisfaction targets in South Australia. Currently, in order to demonstrate compliance with their obligations, CHPs are required to maintain overall tenant satisfaction levels of 75% (Productivity Commission, 2021). In its 2019-20 performance report conducted by the National Regulatory System Community Housing and SA Housing Authority, (self-reported but independently conducted), overall tenant satisfaction surveys reported average satisfaction of 89.2%, which is above its threshold requirements for compliance. Specifically, maintenance satisfaction was at 85.9%, with a threshold of 75%. Urgent repair requests were found to have been completed punctually 95% of the time compared to a compliance threshold of 90%, with non-urgent repairs completed punctually 94.3% of the time compared to the threshold of 90%.

The most recent RoGS were discussed earlier in this chapter. CHPs were rated on measures including the proportion of respondents living in dwellings of an acceptable standard and the proportion of tenants satisfied or very satisfied with the service provided by their housing provider. It is acknowledged that there has been a small decline over the review period in the proportion of respondents living in an acceptable standard from 87.6% to 85.6%. While public housing increased over this period from 81.5% to 84.7%, CHPs retain a higher overall rating. Similarly, there has been a small decline in the proportion of tenants satisfied or very satisfied with their CHPs from 80.4% to 79.6% over the review period but this remains above the public housing rating of 78.9%. When national results averages are observed, the gap between CHP performance and public housing widens in favour of CHPs.

Ultimately, there appear to be benefits in transferring properties from public housing authorities to CHPs, from increased financial sustainability to improved services and greater tenant satisfaction. The financial implications of CHP transfers are discussed in more detail within the next chapter.

5.5.3 A Service Delivery Model to Enable Successful Tenancies within a Public Housing Context

CHPs are a critical part of a multi-provider system

The preceding section outlines the research on CHPs, with a particular focus on measures of tenant satisfaction when CHPs are managing properties. CHPs are an existing part of SA Housing Authority's multi-provider system. Increasing CHP involvement in the system by transferring properties to them may result in positive benefits outlined above, for example, by drawing upon their specialist tenancy management skills to address the increasingly complex needs of customers, as well as their responsiveness to maintenance requests. Some evidence for this can be seen in the evaluation of South Australia's Better Places Stronger Communities program, which analysed tenants' satisfaction within the first two years after tenancies transfer to CHPs. The research showed that tenants have identified a positive responsiveness level from CHPs, while noting improvements in accessibility, repairs and maintenance and external upgrades (Blunden, H., et al., 2017).

CHPS are seeking greater involvement in the sector, including in its strategic direction

Stakeholder consultation indicated there may be some gaps in the current alignment of CHPs and SA Housing Authority. The lack of documentation around the current service delivery model may be responsible for part of this misalignment. There should be a stronger emphasis on collaboration, with CHPs expressing a desire to take a more active role in determining the sector's strategy. As mentioned in the previous sections of this report, "success" can have different meanings – consultations showed there is tension between the "success" definition for an asset manager (which might be focused on the payment of rent on time, minimising bad debts and reactive maintenance) versus a tenancy manager (which might instead focus on ensuring tenant satisfaction and connecting tenants to appropriate services). For instance, consultations indicated that the increase in Commonwealth benefits provided as a temporary measure during the COVID-19 pandemic resulted in greater income for those tenants in receipt of benefits. This increase was exempt from calculation as part of the assessable income that would

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[14] A property is considered to be in an unacceptable condition if it does not have working facilities for washing people, washing clothes, preparing food, and sewerage, or has more than two major structural issues.

contribute to rent. Despite the increase in tenant incomes, SA Housing Authority saw an increase in late or unpaid rents, potentially because of the unintended impact of governmental policies preventing eviction during the COVID-19 pandemic. The definition of success should thus be clarified for the system holistically, in order to ensure the alignment, collaboration and cooperation of all participants in the multi-provider system, with CHPs included as part of the discussion.

Proper planning and monitoring are essential to ensure the success of the future multi-provider system

Proper planning and monitoring are important for the success of the multi-provider system and in particular to ensure it remains agile and can respond to the challenges of the future. The COVID-19 pandemic has itself affected the housing and employment market in unprecedented ways. For example, consultations indicated that there was an increased movement to regional communities. Whether these changes are permanent remains to be seen. Nonetheless, continued planning and monitoring of the public housing system is essential if it is to both identify and then reflect the ongoing – and changing – needs of its customer base.

The leverage provided by CHPs also depends largely on eligible household incomes settings and the terms of their lease arrangements with the South Australian government. CHPs do not have control over these settings, which means that any agreement changes must be monitored closely to ensure CHPs remain financially sustainable (Lawson, J., et al., 2018). CHPs are also dependent upon Commonwealth Rent Assistance, which has been the subject of various reform proposals, as outlined in AHURI's 2020 report (Ong, 2020).

As SA Housing Authority has initiated this complex pathway to a multi-provider system, it is important to monitor risks and update the plan accordingly to ensure a successful service delivery model is achieved. The below opportunities were developed to support this transition.

Opportunity 1. Developing a long-term transition plan

SA Housing Authority has included the delivery of services through a modern multi-provider system in its strategic plan. However, the performance measures do not specify any targets in relation to this transition. A long-term transition plan should be developed to define what SA Housing Authority wants to achieve within the CHP transfers, determine steps required to enable these objectives and identify measures to track progress against plan. The development of a long-term transition plan was also recommended in the Triennial Review from 2010-2013 in order to transform social housing in South Australia to a multi-provider system.

Opportunity 2. Define and document the current service model

There is a need to further define and document SA Housing Authority's current service model, specifying what the roles and responsibilities of the partners are within this new environment. This process should be done in conjunction with CHPs to ensure alignment in the overall strategy and future ownership of determined tasks.

Opportunity 3. Develop a communication plan

A communication plan should be developed to establish the frequency of communication between SA Housing Authority and the CHPs and the forum within which this should occur. This would assist with the alignment of parties' interests over time, supporting a proactive approach for problem-solving.

Opportunity 4. Monitor the outcomes of CHP transfers

It is important that the outcomes of CHP transfers are monitored to ensure that SA Housing Authority's focus – and that of the broader multi-provider system – remains on the customer. It is acknowledged that CHPs have existing KPIs as part of the NRSCH. SA Housing Authority could work with CHPs to determine if this existing framework is appropriate to monitor the progress of the transfer, particularly focusing on customer outcomes. Financial sustainability of the system as a whole (taking into account both the interests of CHPs and SA Housing Authority) is also important and SA Housing Authority may need to consider how this is evaluated. Financial sustainability is discussed in more detail in the next chapter.

Opportunity 5. Ensure appropriate accounting treatment of transfers

Prior to implementing a public housing management transfer program, a thorough assessment of the accounting treatment is required. It is important to determine to which extent the CHP transfer should be classified as an operating lease and which aspects remain with the South Australian Government. SA Housing Authority would need to obtain specialist tax and accounting advice in this regard.

While still at its initial maturity level, SA Housing Authority's service model transition is critical in ensuring successful outcomes for its customers. Planning the CHP transfer pathway and proactively managing associated risks will position SA Housing Authority – and most importantly, its tenants - for success in its role in overseeing a modern multi-provider system (Sontag-Padilla, L. M., et al., 2012).

6

Financial Sustainability

Key Points

Term of Reference	
F1	What are **the strategic levers** available to **support** an aspiration of **long-term financial sustainability** and asset strategy objectives?
F2	What is **the financial impact** of **future service demand** due to projected changes in the client and tenant cohort?

F1. WHAT ARE THE STRATEGIC LEVERS AVAILABLE TO SUPPORT AN ASPIRATION OF LONG-TERM FINANCIAL SUSTAINABILITY AND ASSET STRATEGY OBJECTIVES?

F2. WHAT IS THE FINANCIAL IMPACT OF FUTURE SERVICE DEMAND DUE TO PROJECTED CHANGES IN THE CLIENT AND TENANT COHORT?

Given the linkages between the above two Terms of Reference, the analysis has been undertaken concurrently. The key points and recommendations reflect this approach.

CURRENT FINANCIAL POSITION

- Rental income from tenants has remained largely stable over the review period. SA Housing Authority remains dependent upon SA Government funding, given the gap between this income and its expenses.
- SA Housing Authority has had negative operating and investing cash flows over the review period. SA Housing Authority has a negative net cash position for its operating activities, except for FY 2018-19 when SA Housing Authority received $825m in SA Government grants. Financing cash flows were positive over the review period.
- There has been a change in the approach of the SA Government to funding SA Housing Authority over the review period. This approach has meant that in FY 2019-20 and FY 2020-21 SA Housing Authority recorded a negative comprehensive result. In other years, operating losses have been offset by changes in the asset revaluation surplus to reflect the increase in property values.
- In 2018, SA Housing Authority commenced operating as an independent housing authority under the *SAHT Act*. The SA Government has since provided equity contributions, as well as recurrent funding, to restructure and recapitalise SA Housing Authority. The SA Government provided equity contributions of $502m over the review period as well as recurrent funding of $1,049m. Most of the recurrent funding was provided in FY 2018-19. SA Housing Authority closed with a cash balance of $513m as of 30 June 2021.
- SA Housing Authority has a large asset base, comprising primarily of property, plant and equipment, which reached $10.8 billion at the end of FY 2020-21. It has a current maintenance backlog of $310m which is approximately 2.9% of the value of the asset base.
- The total equity held within SA Housing Authority was approximately $11.5 billion, with the asset revaluation surplus accounting for the largest proportion of SA Housing Authority's equity at $7.8 billion. This reflects the accumulated increase over time of SA Housing Authority's property portfolio.
- The increase in the freehold land and buildings due to revaluation was $1.2 billion over the review period. The net increase (less the assets sold) was $880m.

DRIVERS OF SA HOUSING AUTHORITY'S REVENUE AND EXPENSES

- SA Housing Authority receives rental income as well as funding from the Commonwealth and South Australian Governments.
- The current drivers of SA Housing Authority's rental income are its tenant profile, vacancy rate and utilisation rate. The trends identified in the previous Triennial Review – of an increasingly vulnerable tenant profile and a mismatch between its housing portfolio and tenant needs – have continued, constraining its income. RoGS

data indicate that the South Australian social housing portfolio has an under-utilisation rate of 25.1% compared to the national average of 15.3% (as of 30 June 2020).

- Property expenses are the main expense type for SA Housing Authority. This includes land tax, council rates and maintenance costs. Key drivers of property expense include property age and overall condition, number of properties, vacancy rates and customer profile.
- According to the report from the previous Triennial Review, there has been a gap between the land tax paid and the total reimbursement since 2013-14.
- Prior to FY 2013/14 land tax was reimbursed. However, in return for the $320m debt forgiveness to the Commonwealth Government on behalf of SA Housing Authority, there was a commensurate reduction in the SA Government funding provided to SA Housing Authority, with the intention to recoup the cost of the debt repayment.
- In SA Housing Authority's last two financial statements land tax reimbursements ceased to be separately reported. SA Housing Authority has indicated in the FY 2019-20 and FY2020-21 annual reports that "land tax equivalent is partially reimbursed by the State Government as part of a budget arrangement".

FUTURE DRIVERS OF SA HOUSING AUTHORITY'S REVENUE AND EXPENSES

- It is expected that SA Housing Authority's expenses will continue to exceed its income in the absence of changes to government funding and to SA Housing Authority's cost base. It is beyond the scope of this review to examine the amount of funding required for SA Housing Authority.
- Assuming SA Housing Authority's housing stock remains unchanged, SA Housing Authority's rental income is likely to remain stable. Rental income is expected to remain linked to its customer base, as well as its utilisation rate.
- Maintenance costs are the most significant of SA Housing Authority's property expenses. SA Housing Authority's maintenance backlog is estimated at approximately $310m. This a reduction from the estimate in the previous Triennial Review period of $700m. Maintenance is likely to increase as SA Housing Authority's housing assets continue to age.
- It is understood that SA Housing Authority has developed a Strategic Asset Management Framework, which has been developed to address expected maintenance within the 2020 – 2030 timeframe. It is important that SA Housing Authority's ongoing asset maintenance and financial management systems accurately record and monitor its maintenance backlog, with the view to accurately identify the quantum of backlog and implement an investment approach to reduce this.

FINANCIAL IMPACTS OF FUTURE SERVICE DEMAND DUE TO PROJECTED CHANGES IN THE CLIENT AND TENANT COHORT

- Projected changes in the client and tenant cohort are expected to broadly increase the costs of meeting these client's needs while constraining SA Housing Authority's rental income. Demand for social and affordable housing is expected to continue increasing (given the broader trends of a lack of affordable housing in the private market).
- It is likely that the rental income of SA Housing Authority will be constrained by the vulnerability of tenants and their associated reduced income, as well as by the predicted under-utilisation of properties, given the rise in individual tenants and single parent families.
- There may be increased servicing costs in providing appropriate services to tenants with complex needs, as well as greater maintenance costs.
- There may also be costs in terms of providing housing that meets tenant needs (e.g. for tenants with disabilities or complex needs).

FINANCIAL SUSTAINABILITY

STRATEGIC LEVERS TO SUPPORT INCREASED FINANCIAL SUSTAINABILITY AND ASSET MANAGEMENT

- Increasing SA Housing Authority's financial sustainability requires a strategic approach to be implemented to its asset management and service delivery offering. While optimising SA Housing Authority's operational drivers (e.g. through the approach to bad debts or maintenance procurement) can help SA Housing Authority's cash flows, this may not be enough to ensure long-term financial sustainability.

- SA Housing Authority should analyse potential options and design an investment pathway for social housing infrastructure to ensure social and economic benefits are maximised. Such a pathway would need to include robust modelling, as well as consultation with key stakeholders if it were to be successful.

- SA Housing Authority is participating in SA Government initiatives to increase the supply of affordable housing, for example, by requiring 15% of all houses built on SA Government land to be designated as affordable housing. It also has a goal of delivering 1,000 affordable houses. Most of these initiatives are designed to increase the supply of affordable housing in South Australia without an investment in affordable housing assets from SA Housing Authority. These initiatives are therefore intended to reduce the burden on SA Housing Authority's social housing portfolio by preventing affordable housing clients from moving into the public housing sector.

- SA Housing Authority has a substantial asset base which is virtually unencumbered by debt and which has a high rate of under-utilisation given the mismatch between tenant needs and housing stock. It is worthwhile developing an investment pathway which could deliver properties that better meet tenant needs. Such a pathway could also potentially leverage the existing asset base to invest in affordable and other forms of housing to provide a diversified income stream. Robust modelling would need to be undertaken for such investment, including whether this would best occur under SA Housing Authority's remit or following a transfer of properties to the CHP sector.

- It is recommended that SA Housing Authority explore the transfer of properties to CHPs as part of a broad investment strategy for a multi-provider housing system. While it is acknowledged that SA Housing Authority indicated it has incurred a loss following the transfer of properties to the CHP sector, increasing the transfer of properties to CHPs may improve the financial sustainability of the housing system overall and improve tenant outcomes. A detailed financial assessment of the costs and benefits from both its perspective as well as from the system as a whole should be performed to ensure benefits offset costs.

- It is also recommended that SA Housing Authority explore financing arrangements as part of its broader investment strategy. Further analysis should be performed to consider the latest market changes, as well as South Australia's unique housing characteristics and regulatory framework, before determining the best investment pathway, as well as to determine the best investment vehicles and/or partners for SA Housing Authority.

- Future investment and financing pathways should also explore the trade-offs between the use of cash and the use of debt, as well as the potential to explore financing strategies from NHFIC and alternatives such as social bonds and social impact bonds.

FINANCIAL SUSTAINABILITY

6.1 Supporting Long-Term Financial Sustainability and Ensuring Asset Planning Meets Customer Needs

Term of Reference	
F1	What are the **strategic levers** available to **support** an aspiration of **long-term financial sustainability** and asset strategy objectives?
F2	What is the **financial impact** of **future service demand** due to projected changes in the client and tenant cohort?

6.1.1 Analysis Methodology

Given the interdependencies between the two Terms of Reference for financial sustainability, the analysis was undertaken concurrently and combined. The sections below outline the analysis of SA Housing Authority's financial sustainability and in doing so consider:

- The financial impact of future service demand upon SA Housing Authority.

- The strategic levers available to support an aspiration of long-term financial sustainability and asset planning and management in the context of future service demand, and other financial drivers.

In undertaking this analysis, the following were relied upon:

- Published financial statements.

- Consultations with staff from SA Housing Authority.

- Financial analysis undertaken by PwC on behalf of SA Housing Authority (PwC's financial analysis).

The published financial statements and PwC's financial analysis were relied upon for the purpose of this review. However, these were not audited by Deloitte or Aurecon nor otherwise checked for accuracy. No financial modelling was undertaken by Deloitte or Aurecon for the purpose of this review.

The following sections of this report discuss SA Housing Authority's financial position over the review period, assessing the key trends in income and expenses, as well as changes in SA Housing Authority's asset base. Future trends are discussed, including with respect to the projected changes in the client and tenant cohort, which were outlined earlier in this report. Finally, the strategic levers available to support the aspiration of long-term financial sustainability and asset management are presented.

6.1.2 SA Housing Authority's Current Financial Position

Financial sustainability is critical to SA Housing Authority's performance and to meeting customer needs

Financial sustainability can be defined in different ways. In its internal financial review, SA Housing Authority defined financial sustainability as *"achieving operating costs and funding levels that are*

balanced to the costs required to operate the range of programs assigned to SA Housing Authority to expected service standards, without depleting cash reserves or supplementing shortfalls with asset sales".

For the purpose of this review, the definition of financial sustainability used by the RAND corporation in its research report *Financial Sustainability for Non-profit Organisations* (2012) has been adopted:

"In broad terms, financial sustainability is the ability to maintain financial capacity over the long term, seizing opportunities and reacting to unexpected threats while continuing the organisation's general operations".

Source: (Sontag-Padilla, L. M., et al., 2012)

Financial sustainability is inherently linked to asset strategy. For SA Housing Authority to be financially sustainable, it must ensure its asset base is fit-for-purpose to enable it to deliver its services to its customers. This means not only ensuring that the housing stock is appropriate for both current and future tenants but also maintaining that asset base to an acceptable standard.

SA Housing Authority's financial performance during the review period has been assessed through the analysis of published financial statements, which include the income statement, balance sheet and statement of cash flows and statement of changes in equity. The highlights from these financial statements are outlined below before discussing the financial drivers in detail within Section 6.1.3.

The income statement below shows that SA Housing Authority was operating at a loss for three of the four financial years in the review period

In the final year of the review period (FY 2020-21), the net operating loss was $343m. Losses also occurred in FY 2017-18 (approximately $95m) and FY 2019-20 ($429m). The exception to this trend was in FY 2018-19, when a positive net operating result of $443m was recorded. Total expenses exceed rental income for each year. Where a positive net operating result is recorded, this can be attributed to the increase in the receipt of SA Government funding.

When changes in the revaluation of property, plant and equipment are included, SA Housing Authority's net loss reduces but remains negative in the last two financial years of the review period. The changes in asset revaluation surplus represent the changes to the value of SA Housing Authority's portfolio, as determined by the Valuer-General annually. This change has been consistently positive, varying from around $200m to $400m per financial year, reflecting increases in the value of land and properties in SA Housing Authority's portfolio.

The main drivers for the variation in net operating result appears to be the change in Commonwealth and SA Government funding

Other sources of income and expenses do not show a clear trend over the review period. Rental income remains relatively constant. There is some variability in expenses over the review period, but these do not show a clear trend in overall expenses. For example, rental property expenses are the largest source of expense and increased from $375m in FY 2017-18 to $399m in FY 2019-20, but then decreased to $330m in FY 2020-21. These comprise land tax, maintenance, rates, construction variances, the emergency services levy and stamp duty and search fees. Grants and subsidies expenses showed a significant increase over the review period from $33m to $100m, while business service fees and impairment **expenses showed a decrease over this period from $24m to $4m and $36m to $25m respectively.**

According to the FY 2018-19 financial statement, the increase in grants and subsidies reflects the 1 July 2018 transfer of payment of grants to specialist homelessness service providers from the Department of Human Services to SA Housing Authority.

The reduction in Commonwealth and SA Government recurrent funding is offset by an increase in equity funding

According to the published financial statements, SA Housing Authority commenced operating as an independent housing authority under the SAHT Act on 1 July 2018. In recognition of this trend, and to restructure and recapitalise SA Housing Authority, the SA Government provided a grant of $603m and an equity contribution of $124m in FY 2018-19. This was an increase from the equity contribution provided in FY 2017-18 of $8m and represented a change in approach, as funding was previously provided by the SA Government as recurrent grants. Subsequent equity contributions were provided in FY 2019-20 ($241m) and FY 2020-21 ($129m).

Similarly, in FY 2018-19, the Department of Treasury provided Commonwealth funding to SA Housing Authority in the form of an equity contribution, rather than as part of recurrent funding.[15]

It was acknowledged in the FY 2018-19 financial statement that this approach would lead to net operating deficits from FY 2019-20 to FY 2022-23.

The FY 2019-20 financial statement stated that there would be equity contributions totalling $778m from FY 2019-20 to FY 2022-23 based on the FY 2019-20 SA State budget. SA Housing Authority has indicated that this number has changed since the publication of the financial statement, and the current budget expects further equity contributions of $196m across FY 2021-22 and FY 2022-23.

Should income and expenses be consistent in these periods, it is expected further operating deficits will be recorded in these years. The implications of the net operating deficit on SA Housing Authority's cash position are discussed below in the context of SA Housing Authority's statement of cash flows.

Table 6-1: Income Statement (4-year Summary Nominal)

	FY 2017- 18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Income				
Rental income	250,697	247,361	249,408	245,734
SA Government grants, subsidies and transfers	171,244	825,232	15,569	25,462
Recoveries	30,211	34,790	27,181	23,801
Interest revenue	3,560	4,303	7,645	1,096
Commonwealth-sourced grants and funding	75,091	11,083	628	618
Resources received free of charge			725	
Net gain from disposal of property, plant and equipment	17,485	48,465	6,910	19,097
Other revenue	6,812	7,031	5,177	20,002
Total income	**566,681**	**1,178,265**	**313,243**	**335,810**
Expenses				
Employee benefits expenses	72,711	85,081	77,364	78,085
Rental property expenses	374,909	382,831	399,103	330,282
Grants and subsidies	32,636	103,443	99,034	99,548
Depreciation and amortisation	89,844	91,256	93,309	98,692
Supplies and services	30,909	35,609	47,325	42,976
Impairment expenses	36,197	25,280	21,062	24,708

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	FY 2017- 18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Business services fees	24,363	11,904	4,443	4,005
Borrowing costs			69	396
Total expenses	**661,569**	**735,404**	**741,709**	**678,692**
Net result before income tax equivalent	**(94,888)**	**442,861**	**(428,466)**	**(342,882)**
Net result after income tax equivalent	**(94,888)**	**442,861**	**(428,466)**	**(342,882)**
Other comprehensive income				
Changes in property, plant and equipment revaluation surplus	407,939	302,488	280,119	206,373
Total comprehensive result	**313,051**	**745,349**	**(148,347)**	**(136,509)**

Source: South Australian Housing Trust Financial reports for the years ending 2018-2021.

SA Housing Authority's balance sheet indicates that it has large cash reserves and a substantial asset base with low liabilities

While SA Housing Authority's financial statements report cash reserves as declining from $177m in FY 2017-18 to $38m in FY 2020-21, there was a substantial increase in FY 2018-19 to $744m. This reflects the SA Government's equity contribution and one-off grant to SA Housing Authority, which was described above. In FY 2019-20, this equity contribution appears to have been classified as other financial assets and is held at a SAFA cash management facility. This practice continued in FY 2020-21.

The FY 2020-21 financial statement discussed the liquidity risk of SA Housing Authority. It stated that the equity contributions from the SA Government were intended to fund the net cost of SA Housing Authority's approved operations, thereby reducing liquidity risk. Cash flows are discussed in more detail below.

SA Housing Authority has a large asset base, comprising primarily of property, plant and equipment, which reached $10.8 billion at the end of FY 2020-21. The total equity held within SA Housing Authority

was approximately $11.5 billion, with the asset revaluation surplus accounting for the largest proportion of SA Housing Authority's equity at $7.8 billion.

SA Housing Authority has low liabilities, which leads to an equity ratio in FY 2020-21 of 85.4. There has been a change in recorded current payables over the review period, which increased from $46m in FY 2017-18 to $273m in FY 2019-20, which then reduced to $60m in FY 2020-21. The differences appear to be mainly due to land tax payables which were $215m in FY 2019-20 and $49m in FY 2018-19. The recorded land tax expense was $214m and $196m respectively, whereas the cash outflow related to land tax equivalents was only $49m in FY 2019-20, compared to $147m in FY 2018-19. The financial liabilities in FY 2020-21 refer to lease liabilities for motor vehicle leases and office accommodation.

Table 6-2: Balance Sheet (4-year Summary Nominal)

	FY 2017-18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Current assets				
Cash and cash equivalents[16]	177,016	743,852	108,075	37,810
Receivables	13,369	15,772	23,786	33,032
Other financial assets		122,371	803,614	474,897
Inventories	146,657	151,575	132,717	129,025
Non-current assets classified as held for sale	12,898	15,574	2,620	5,636
Total current assets	**349,940**	**1,049,144**	**1,070,812**	**680,400**
Non-current assets				
Receivables			438	5,727
Inventories	94	4,393	8,991	27,107
Property, plant and equipment	10,243,128	10,448,491	10,676,510	10,848,506
Intangible assets	10,192	20,483	33,256	35,446
Total non-current assets	**10,253,414**	**10,473,367**	**10,719,195**	**10,916,786**
Total assets	**10,603,354**	**11,522,511**	**11,790,007**	**11,597,186**
Current liabilities				
Payables	46,284	102,448	272,758	59,964
Staff entitlements	9,725	10,592	12,248	11,825
Provisions	660	328	318	412
Financial liabilities			512	3,034

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	FY 2017-18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Other liabilities	16,650	11,673	14,536	14,764
Total current liabilities	**73,319**	**125,041**	**300,372**	**89,999**
Non-current liabilities				
Payables	1,466	1,630	1,637	1,429
Staff entitlements	15,916	17,780	17,658	15,204
Provisions	1,112	873	963	1,138
Financial liabilities			339	27,948
Other liabilities	1,306	904	503	101
Total non-current liabilities	**19,800**	**21,187**	**21,100**	**45,820**
Total liabilities	**93,119**	**146,228**	**321,472**	**135,819**
Net assets	**10,510,235**	**11,376,283**	**11,468,535**	**11,461,367**
Equity				
Retained earnings	3,164,246	3,707,561	3,353,608	3,084,334
Asset revaluation surplus[17]	7,244,444	7,443,017	7,648,623	7,781,388
Contributed capital	101,545	225,705	466,304	595,645
Total equity	**10,510,235**	**11,376,283**	**11,468,535**	**11,461,367**

Source: South Australian Housing Trust Financial reports for the years ending 2018-2021.

SA Housing Authority's cash flow statement indicates negative operating and investing cash flows and positive financing cash flows

SA Housing Authority has a negative net cash flow for its operating activities, except for FY 2018-19, when SA Housing Authority received $825m in SA Government grants. As outlined above, this represented a lump sum payment to fund SA Housing Authority for multiple years and was accompanied by equity contributions in FY 2018-19 and subsequent years. Investing cash flows were consistently negative, while financing cash flows were positive due to capital contributions from the SA Government.

As noted in the sections above, SA Housing Authority's rental income is less than its expenses and it is reliant upon SA and Commonwealth Government funding to continue its operations.

Ultimately, SA Housing Authority maintained a positive cash balance at the end of each financial year, due to the impact of the retained SA Government funding, both as grants and in equity funding. In FY 2020-21, SA Housing Authority's closing cash balance was $513m.

Table 6-3: Cash Flow Statement (4-year Summary Nominal)

	FY 2017-18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Cash flows from operating activities				
Cash inflows				
Receipts from SA Government grants, subsidies and transfers	171,244	825,232	15,569	25,462
Rent received	238,506	236,692	243,114	232,850
Recoveries received	32,900	36,527	24,713	25,914
Other receipts	7,024	7,403	5,232	20,341
Receipts from Commonwealth-sourced grants	75,091	11,083	628	618
Interest received	3,854	4,015	7,902	1,315
Proceeds from sale of property	144,374	186,425	97,399	110,731
Receipts for paid parental leave scheme			47	127
GST receipts from the DHS	1,538	748	7,269	24,364
Cash generated from operations	**686,112**	**1,308,125**	**401,873**	**441,722**
Cash outflows				
Staffing costs	(73,066)	(85,550)	(75,798)	(80,985)
Supplies and services	(26,373)	(37,410)	(41,588)	(58,201)
Business services fee	(28,881)	(11,904)	(4,443)	(4,005)
Rental property payments	(189,380)	(188,652)	(186,174)	(198,265)
Grants and subsidies	(36,283)	(104,705)	(110,959)	(109,723)
Land tax equivalents paid	(190,019)	(147,223)	(49,084)	(353,677)
Payments for paid parental leave scheme	270	(176)		
Development costs	(169,094)	(155,676)	(109,120)	(129,000)
Cash used in operations	**(712,826)**	**(731,296)**	**(577,166)**	**(933,856)**
Net cash provided by/(used in) operating activities	**(26,714)**	**576,829**	**(175,293)**	**(492,134)**
Cash flows from investing activities				
Cash outflows				
Purchase of property, plant and equipment	(2,105)	(201)	(4,878)	(26,818)

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	FY 2017-18 $'000	FY 2018-19 $'000	FY 2019-20 $'000	FY 2020-21 $'000
Purchase of intangibles	(7,717)	(11,581)	(14,622)	(2,773)
Affordable assist payments			(340)	(4,756)
Cash used in investing activities	**(9,822)**	**(11,782)**	**(19,840)**	**(34,347)**
Net cash used in investing activities	**(9,822)**	**(11,782)**	**(19,840)**	**(34,347)**
Net cash used in financing activities				
Cash inflows				
Capital contributions from SA Government	8,198	124,160	240,599	129,341
Cash generated from financing activities	**8,198**	**124,160**	**240,599**	**129,341**
Cash outflows				
Repayment of principal portion of leases liabilities				(1,842)
Cash used in financing activities				**(1,842)**
Net cash provided by financing activities	**8,198**	**124,160**	**240,599**	**127,499**
Net increase/(decrease) in cash held	**(28,338)**	**689,207**	**45,466**	**(398,982)**
Cash at the beginning of the financial year	205,354	177,016	866,223	911,689
Cash at end of FY	**177,016**	**866,223**	**911,689**	**512,707**

Source: South Australian Housing Trust Financial reports for the years ending 2018-2021.

It is clear from SA Housing Authority's statement of changes in equity that the total equity for SA Housing Authority has increased over the review period to approximately $11.5 billion. Much of this increase is due to the uplift in the value of land and property. The accumulated asset revaluation surplus in FY 2020-21 is $7.8 billion.

The total contributed capital is $596m, reflecting the SA Government's equity contributions to SA Housing Authority over time.

Retained earnings remain relatively constant over the review period. On 30 June 2017, the retained earnings were $3.1 billion. Whilst a positive operating result increased this to $3.7 billion on 30 June 2019, this returned to $3.1 billion on 30 June 2021. Retained earnings reflect the net operating result (negative in FY 2017-18, FY 2019-20 and FY 2020-21) plus any realisation of the asset revaluation surplus due to the sale of land and property. The total realisation of asset revaluation surplus was $350m across the review period. The increase in the freehold land and buildings due to revaluation was $1.2 billion over the review period, with the net increase (less the assets sold) being $880m.

Table 6-4: Statement of Changes in Equity (4-year Summary Nominal)

FY 2017-18	Contributed Capital $'000	Asset Revaluation Surplus $'000	Retained Earnings $'000	Total $'000
Balance at start of FY	93,347	6,934,458	3,161,506	10,189,311
Net result after income tax equivalent			(94,888)	(94,888)
Revaluation of property				
Movement in rental houses due to revaluation				
Transferred to capital works		(7,248)		(7,248)
Subject to sales contracts		(3,061)		(3,061)
Increment in freehold land and buildings due to revaluation		418,248		418,248
Total comprehensive result		407,939	(94,888)	313,051
Transfer to retained earnings of increment realised on sale of freehold land buildings		(97,953)		(97,953)
Realisation of asset revaluation surplus on sale of freehold land and buildings			97,953	97,953
Total transfer between equity components		(97,953)	97,953	
Equity contribution received	8,198			8,198
Assets transferred as part of administrative restructure			(325)	(325)
Liabilities transferred as part of administrative restructure				
Total transfer between SA Government as owner	8,198		(325)	7,873
Balance as of end of FY	101,545	7,244,444	3,164,246	10,510,235

FY 2018-19	Contributed Capital $'000	Asset Revaluation Surplus $'000	Retained Earnings $'000	Total $'000
Balance at start of FY	101,545	7,244,444	3,164,246	10,510,235
Net result after income tax equivalent			442,861	442,861
Revaluation of property				
Movement in rental houses due to revaluation				
Transferred to capital works		(10,987)		(10,987)
Subject to sales contracts		(2,390)		(2,390)
Increment in freehold land and buildings due to revaluation		315,865		315,865
Total comprehensive result		302,488	442,861	745,349
Transfer to retained earnings of increment realised on sale of freehold land buildings		(103,915)		(103,915)
Realisation of asset revaluation surplus on sale of freehold land and buildings			103,915	103,915
Total transfer between equity components		(103,915)	103,915	
Equity contribution received	124,160			124,160
Assets transferred as part of administrative restructure				
Liabilities transferred as part of administrative restructure			(3,461)	(3,461)
Total transfer between SA Government as owner	124,160		(3,461)	120,699
Balance as of end of FY	225,705	7,443,017	3,707,561	11,376,283

FY 2019-20	Contributed Capital $'000	Asset Revaluation Surplus $'000	Retained Earnings $'000	Total $'000
Balance at start of FY	**225,705**	**7,443,017**	**3,707,561**	**11,376,283**
Net result after income tax equivalent			**(428,466)**	**(428,466)**
Revaluation of property				
Movement in rental houses due to revaluation				
Transferred to capital works		(2,914)		(2,914)
Subject to sales contracts		(2,571)		(2,571)
Increment in freehold land and buildings due to revaluation		285,604		285,604
Total comprehensive result		**280,119**	**(428,466)**	**(148,347)**
Transfer to retained earnings of increment realised on sale of freehold land buildings		(74,513)		(74,513)
Realisation of asset revaluation surplus on sale of freehold land and buildings			74,513	74,513
Total transfer between equity components		**(74,513)**	**74,513**	
Equity contribution received	240,599			240,599
Assets transferred as part of administrative restructure				
Liabilities transferred as part of administrative restructure				
Total transfer between SA Government as owner	**240,599**			**240,599**
Balance as of end of FY	**466,304**	**7,648,623**	**3,353,608**	**11,468,535**

FY 2020-21	Contributed Capital $'000	Asset Revaluation Surplus $'000	Retained Earnings $'000	Total $'000
Balance at start of FY	**466,304**	**7,648,623**	**3,353,608**	**11,468,535**
Net Result after income tax equivalent			**(342,882)**	**(342,882)**
Revaluation of property				
Movement in rental houses due to revaluation				
Transferred to capital works		(4,588)		(4,588)
Subject to sales contracts		843		843
Increment in freehold land and buildings due to revaluation		210,118		210,118
Total comprehensive result		**206,373**	**(342,882)**	**(136,509)**
Transfer to retained earnings of increment realised on sale of freehold land buildings		(73,608)		(73,608)
Realisation of asset revaluation surplus on sale of freehold land and buildings			73,608	73,608
Total transfer between equity components		**(73,608)**	**73,608**	
Equity contribution received	129,341			129,341
Assets transferred as part of administrative restructure				
Liabilities transferred as part of administrative restructure				-
Total transfer between SA Government as owner	**129,341**			**129,341**
Balance as of end of FY	**595,645**	**7,781,388**	**3,084,334**	**11,461,367**

Source: South Australian Housing Trust Financial reports for the years ending 2018-2021.

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6.1.3 SA Housing Authority's Current Drivers of Revenue and Expenses

The preceding section outlined SA Housing Authority's current financial position and the trends over the review period. While rental income remains relatively stable, it is considerably below the level of SA Housing Authority's expenses. The gap between income and expenses has been funded by the SA Government and Commonwealth Government through recurrent funding. More recently, the SA Government has provided equity contributions to SA Housing Authority. This has led to a negative net operating result.

As noted above, SA Housing Authority has a very large asset base composed largely of land and properties. It is thus not unexpected that SA Housing Authority's main source of expenses are rental expenses, which include maintenance and land tax payments.

Given the gap between SA Housing Authority's rental income and expenses, it is useful to consider what the main drivers are of SA Housing Authority's income and expenses. In November 2021, PwC delivered a report on the financial performance of SA Housing Authority, examining the drivers of operating revenue and expenses, as well as capital maintenance. This report presented an analysis over the preceding two financial years (FY 2019-20 and FY 2020-21) and classified the major drivers as follows:

Operating revenue:

- Rental income is dependent on utilisation and vacancy rates.

- PwC classified SA Government contributions as revenue for the purpose of this modelling exercise and linked this to land tax payments which are in turn related to property values.

Operating expenses:

- Property costs are linked to property values (given the relationship between land tax and property values).

- Maintenance costs are linked to the property age and vacancy rates given the timing of maintenance repairs (i.e. prior to a new tenancy).

- Staffing costs are linked to the number of properties and programs.

- Grants and subsidies are driven by underlying programs.

Capital expenses:

- Capital maintenance and investment is driven by the age of the underlying properties.

Our analysis of these and other drivers is presented below. For the purpose of this analysis, the data provided by PwC in its financial analysis has been relied upon and thus have focused on the last two financial years (FY 2019-20 and FY 2020-21). However, it is noted that the drivers of operating revenue, operating expenses and capital expenses remain consistent over the review period and more broadly, over preceding Triennial Reviews.

6.1.3.1 The Main Drivers of Operating Revenue
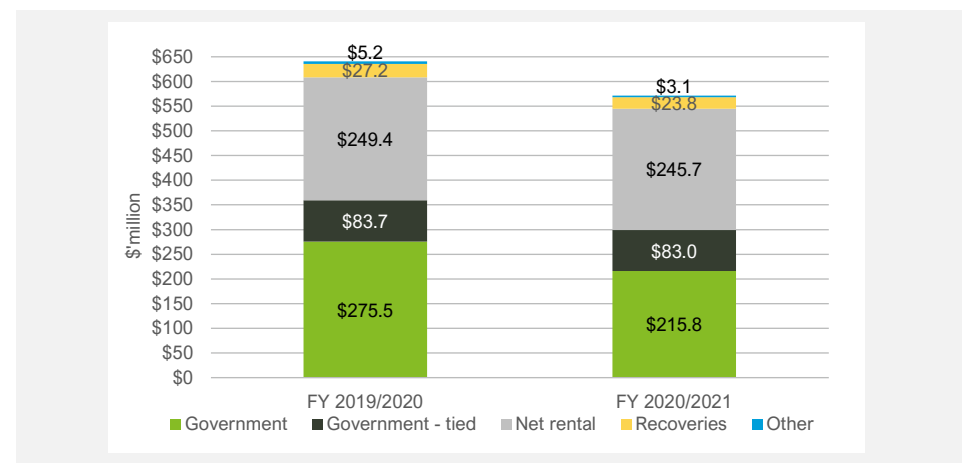
Figure 6-1: Income by Type

Source: PwC's analysis

6.1.3.2 Rental Income

SA Housing Authority's rental income is driven by the following:

- Tenant profile.

- Vacancy rate.

- Utilisation rate.

With each discussed below, the income provided from CHPs via debentured properties has also been considered.

6.1.3.2.1 Tenant Profile

Rental income is capped by either the lower of market rent (determined by the Valuer General) or a set percentage of the tenant's assessable household income depending on their circumstances (typically 25%). Thus, there is a direct relationship between the tenant's income and SA Housing Authority's rental income. A tenant who is single and dependent on Commonwealth Government support typically has a lower income than a family dependent on Commonwealth Government support. Consequently, SA Housing Authority would receive a greater income in the latter tenant profile.

A snapshot of SA Housing Authority's profile in June 2021 indicates 86.5% of properties were subsidised, equating to 43.5% of the market value of rent for SA Housing Authority's property portfolio. As indicated in the PwC financial analysis, the primary income sources for those receiving subsidised rent is typically some form of Commonwealth support payment. SA Housing Authority provided a rental subsidy to single

households of 55% of the market value of rent compared to a subsidy of 38% of the market value of rent to couples. The weekly market value of rent that SA Housing Authority could charge was $8m. However, this amount dropped to $4.4 m after it applied subsidies to eligible tenants.

6.1.3.2.2 Vacancy Rate

Vacancy rates affect SA Housing Authority's rental income as SA Housing Authority is subject to loss of potential revenue when properties remain vacant. PwC's analysis indicated that SA Housing Authority had a 5.1% vacancy rate in the past two years, resulting in a 4.6% loss of rent in FY 2020-21 and 3.2% loss of rent in FY 2019-20.

6.1.3.2.3 Utilisation Rate

Utilisation rates reflect the match between the tenant needs and the property type and size. As noted in Section 5, RoGS indicate that SA Housing Authority's housing portfolio has a higher level of under-utilisation than other states and territories. According to PwC's financial analysis, the South Australian social housing portfolio has a higher under-utilisation at 25.1% as compared to the national average of 15.3%, as of 30 June 2020. This reflects the predominance of houses with 3 or more bedrooms in SA Housing Authority's portfolio, which represent approximately 60% of its portfolio (based on analysis of SA Housing Authority's underlying data). However, as noted in Section 4.1.6, there has been a growing proportion of single households accessing SA Housing Authority's housing, which has resulted in under-utilisation of SA Housing Authority's portfolio. This theme was also present in the last Triennial Review.
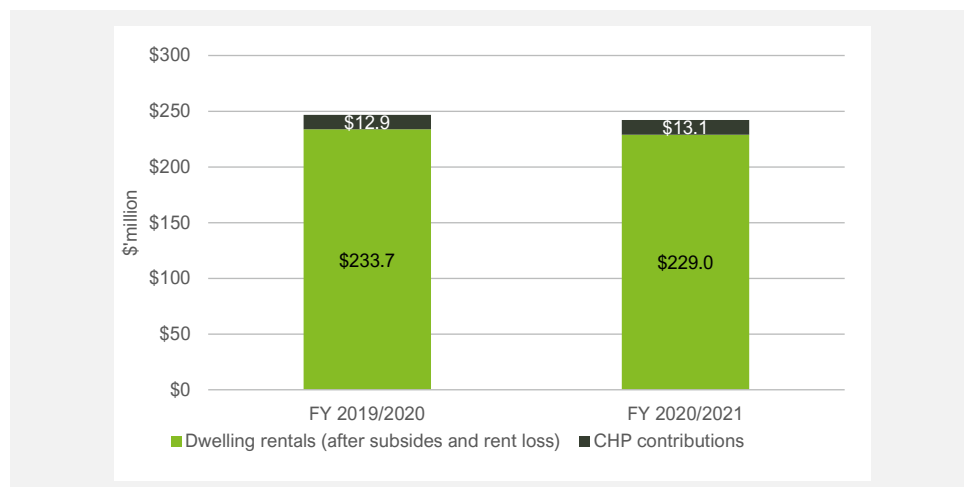
Figure 6-2: Rental Income

Source: PwC's analysis
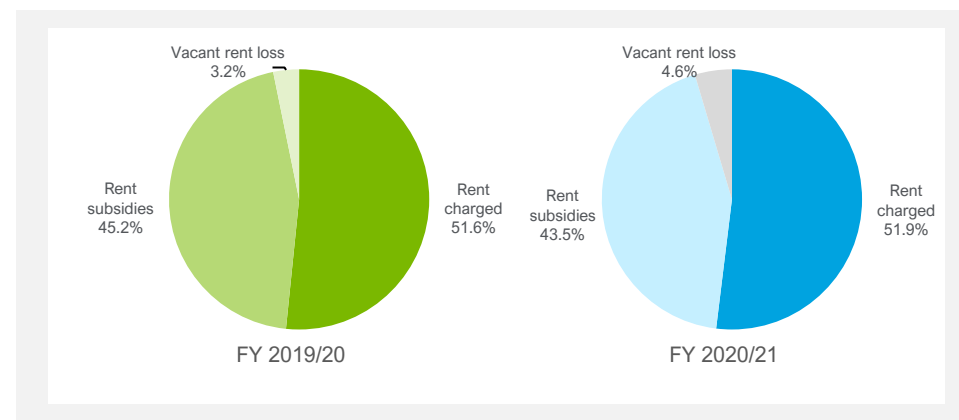
Figure 6-3: Losses and Subsidies as a Percentage of the Market Value of Rent

Source: PwC's analysis

6.1.3.3 Government Funding

SA Housing Authority receives both State and Commonwealth Government funding that constitutes a material amount of SA Housing Authority's income. Figure 6-4 is based on PwC's analysis.

It is noted that PwC's analysis treats the SA Government and Commonwealth Government contribution differently from the approach taken in the financial statements. It is understood that this was done deliberately by PwC in order to present an understanding of SA Housing Authority's cash flow position by converting the equity into an equivalent amount of annual SA Government funding.

Because of the difference in reporting between PwC and the published financial statements, it is difficult to assess the amount of SA and Commonwealth Government funding on an annual basis.

6.1.3.3.1 SA Government Funding

As noted in section 6.1.2 above, SA Housing Authority commenced operating as an independent housing authority under the SAHT Act on 1 July 2018. In recognition of this trend, and to restructure and recapitalise SA Housing Authority, the SA Government provided a grant of $603m and an equity contribution of $124m in 2018-19. This was an increase from the equity contribution provided in FY 2017-18 of $8m and represented a change in approach, as funding was previously provided by the SA Government as recurrent grants. Subsequent equity contributions were provided in FY 2019-20 ($241m) and FY 2020-21 ($129m).

This approach is clear from the financial statements, as SA Government recurrent funding decreases from FY 2019-20 onwards and is instead replaced by equity contributions. This results in SA Housing Authority incurring a net operating loss which is expected to continue to FY 2022-23 according to the financial statements.

The FY 2020-21 financial statement discussed the liquidity risk of SA Housing Authority. It stated that the equity contributions from the SA Government were intended to fund the net cost of SA Housing Authority's approved operations, thereby reducing liquidity risk.

The total funding provided over the review period from the SA Government was $1,551m including grant funding and equity contributions.

6.1.3.3.2   Commonwealth Government Funding

Funding from the Commonwealth has been tied to specific purposes for programs such as Keeping Women Safe in their Homes, the Kurlana Tangkuinya 'New Dreams' Project and for a Local Support Coordinator for domestic and family violence.

Practically speaking, the Commonwealth also provides funding under the NHHA for the provision of homelessness services. SA Housing Authority provides this funding as grants to non-profit service organisations which then perform these services.

The funding under the NHHA is indirectly paid by the Commonwealth Government to the Department of Treasury and Finance. in FY 2018-19, the Department of Treasury provided Commonwealth Funding to SA Housing Authority in the form of an equity contribution, rather than as part of recurrent funding.[18]
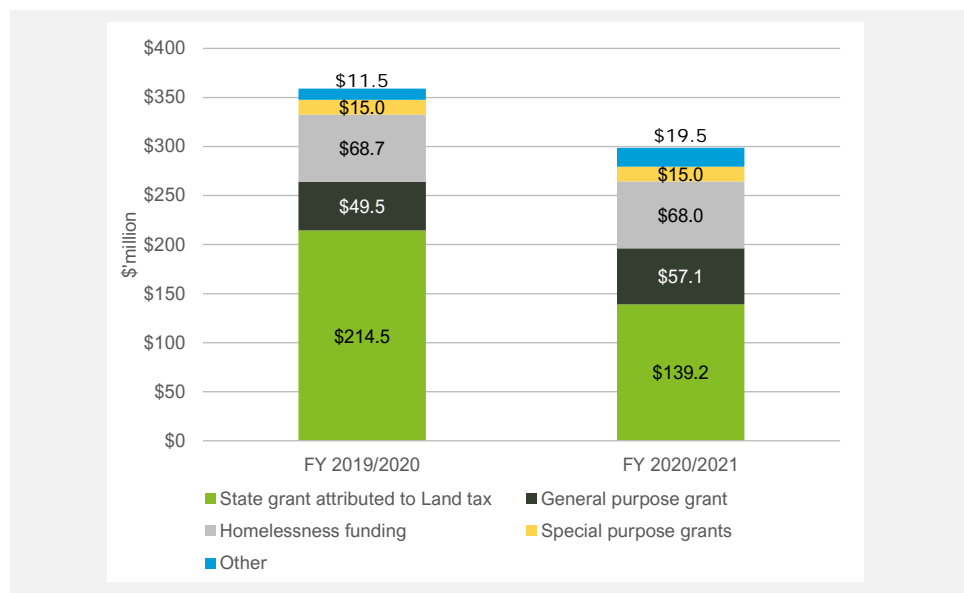
Figure 6-4 Government Funding

Source: PwC's analysis

6.1.3.4   Other Drivers of Operating Revenue

Other smaller drivers of operating revenue include:

- Asset sales.
- Recoveries from tenants and other sources.
- Income from debentured properties.

6.1.3.4.1   Asset Sales

In its annual report, SA Housing Authority identified a cash inflow of $110m due to sale of property for FY 2020-21. SA Housing Authority's *Strategic Asset Management Framework 2020 – 2030* highlights that the housing system has relied on asset sales for its operations. Selling of assets without reinvestment reduces social housing supply and is not financially sustainable in the long term, as was identified in the previous Triennial Review. However, selling of assets to reinvest in more appropriate housing stock is worthwhile and might be a way to capture some of the asset revaluation surplus that is evident from SA Housing Authority's financial statements. This is discussed further in Section 6.1.6.

6.1.3.4.2   Recoveries from Tenants and Other Sources

In addition to government funding and rental income, SA Housing Authority generates revenue through recharging tenants for costs such as water usage, which led to recovery of 91% of water expenses in FY 2020-21 or $12.1m and 62% in FY 2019-20 or $11.1m (the variance is due to incorrectly posted supply and sewage charged on the usage ledger). Other income also includes bond recoveries ($4.5m in FY 2020-21 and $6.6m in FY 2019-20) and maintenance costs that do not constitute fair wear and tear as well as non-access call out fees ($4.4m in FY 2020-21 and $5.6m in FY 2019-20). SA Housing Authority also records revenue from insurance claims for property damage beyond SAicorp's policy excess ($1.1m in FY 2020-21 and $2.4m in FY 2019-20) as well as bad debt recoveries when rent arrears or recoveries are written of and subsequently recovered ($2.4m in FY 2020-21 and $4.6m in FY 2019-20).

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[18] This statement is from the 2018-19 financial statement and referred to National Affordable Housing Agreement Base Funding.
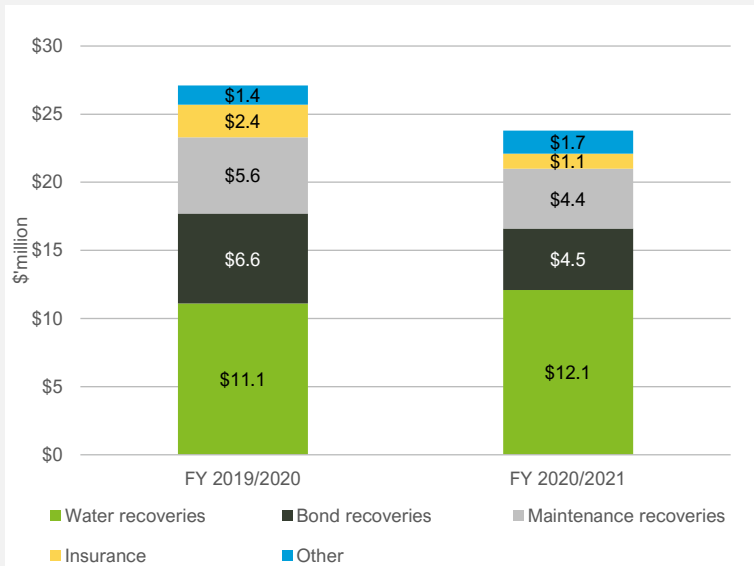
Figure 6-5: Other Income

6.1.3.4.3 Income from Debentured Properties

In addition to self-owned and managed properties, SA Housing Authority receives a payment from CHPs due to a statutory charge it maintains over the titles of "debentured properties" equal to $13.1m in FY 2020-21 and $12.9m in FY 2019-20. Debentured properties are tenantable housing assets that had their legal title transferred to a community housing provider in return for which that provider has issued a debenture to SA Housing Authority at fair value in recognition of the debt owed. This recognises the legal right of SA Housing Authority to control the future service potential of the assets. During consultations, the CHPs noted the financial burden upon their operations from the continued debenture and associated repayments made.
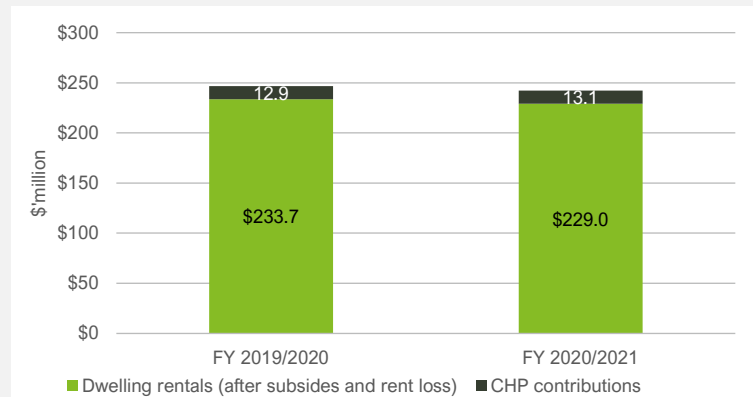
Figure 6-6: Debenture Income

6.1.3.5 The Main Operating Expense Drivers for SA Housing Authority

SA Housing Authority's main expenses are property owner expenses including:

- Land tax and owner costs (such as council rates and water costs).

- Maintenance expenses.
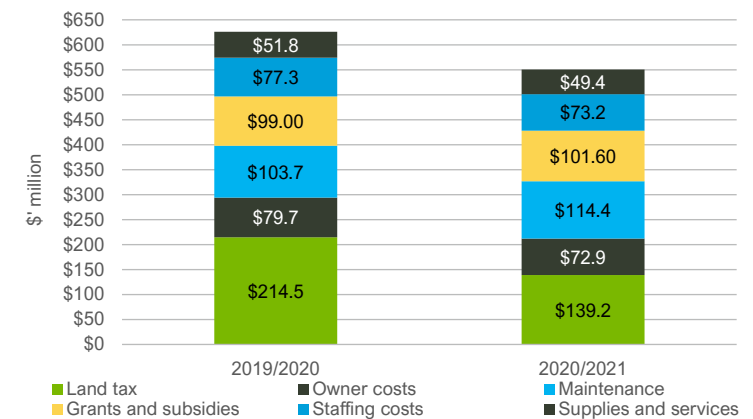
Figure 6-7: Expenses by Type

6.1.3.5.1 Land Tax and Owner Costs

Land tax is calculated on site value, land use and ownership. Land tax is the largest expense related to property ownership, constituting 54% and 42% of property owner costs in FY 2019-20 and FY 2020-21 respectively.

General government funding has been indirectly linked to the amount of land tax payable, which according to PwC's analysis was reduced in FY 2020-21 resulting in a reduction of general government funding from $264m in FY 2019-20 to $196m in FY 2020-21, 68% of which was attributed to land tax.

According to the report from the previous Triennial Review, there has been a gap between the land tax paid and the total reimbursement since 2013-14. Prior to FY 2013-14 land tax was entirely reimbursed. However, in return for the $320m debt forgiveness to the Commonwealth Government on behalf of SA Housing Authority, there was a commensurate reduction in the SA Government funding provided to SA Housing Authority, with the intention to recoup the cost of the debt repayment.

In SA Housing Authority's last two financial statements, land tax reimbursements ceased to be separately reported. SA Housing Authority has indicated in the FY 2019-20 and FY2020-21 annual reports that "*land tax equivalent is partially reimbursed by the State Government as part of a budget arrangement*".

Other property owner expenses include council rates, which are generally determined by reference to the property's capital value. Water usage and water supply charges are the least significant components, the former being recharged to tenants where possible.
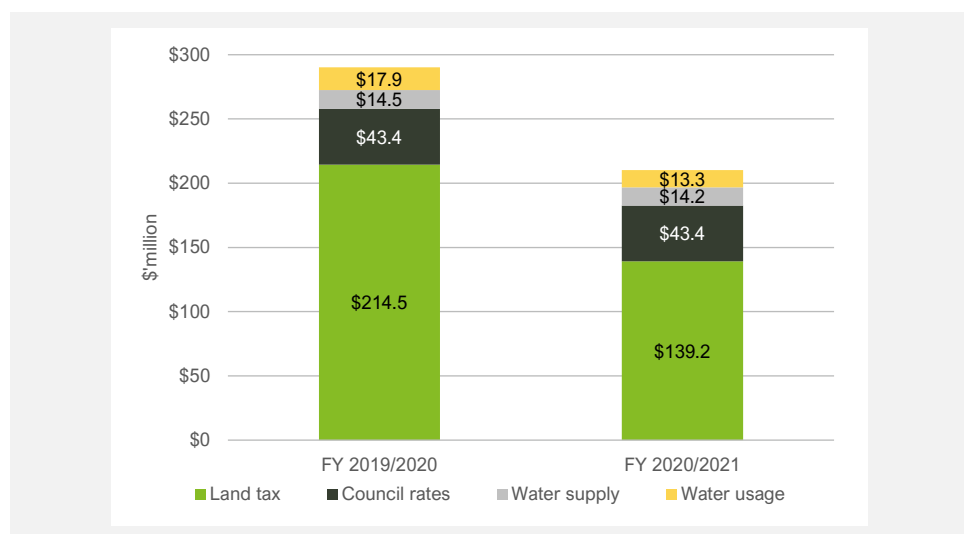
Figure 6-8: Land Tax and Owner Costs

Source: PwC's analysis

6.1.3.5.2 Maintenance

SA Housing Authority's roles include the management of more than 34,000 public housing assets. Recurring maintenance (responsive and planned) and non-structural cyclical capital maintenance have traditionally become the responsibility of SA Housing Authority, as only non-fair wear and tear costs are recharged to tenants. The expected cost of non-structural repairs and maintenance varies by the age and condition of the property.

In FY 2020-21, SA Housing Authority spent $119m on maintenance according to its published financial statements. A similar amount was spent in FY 2019-20 ($107m). It appears that $21m in maintenance was capitalised in FY 2020-21, an increase from $16m in FY 2019-20. The annual amount spent on maintenance appears to be consistent with that spent in the previous Triennial Review, where $118m was spent in FY 2016-17.

Maintenance costs are mainly driven by:

- **Assets' age:** according to SA Housing Authority's asset data, 67% of its properties were built prior to 1990, which shows an ageing asset base that can require high maintenance costs.

- **Vacancy rate:** an estimated of $45m cost of vacancy maintenance was identified, which depends on tenancies' turnover and the condition of these properties.

- **Customer profile:** the current trend of increasing complex and vulnerable clients can increase maintenance costs, as highlighted in Section 6.1.5.

The previous Triennial Review identified an expected asset maintenance backlog of $700m. It is not clear how this assessment was identified. It was observed in the previous Triennial Review that SA Housing Authority did not record its maintenance backlog.

SA Housing Authority has indicated that more recent estimates suggest a lower maintenance backlog. In an assessment of nearly 90% of the property portfolio (performed by SA Housing Authority in FY 2019-20 and FY 2020-21), $310m of potential maintenance spending was identified, of which only $30m of priority responsive maintenance has been assessed/planned or completed. As SA Housing Authority's property portfolio continues to age, maintenance costs are expected to rise.

The current maintenance backlog is estimated to be approximately 2.9% of the value of the $10.8 billion asset base as of 30 June 2021. The valuation of the asset base is taken from the FY 2020-21 financial statement which is silent on SA Housing Authority's current maintenance backlog.

In its 2021 report *Towards an Australian social housing best practice asset management framework,* AHURI notes that the maintenance backlog of public housing across Australia is a matter of public record and that too many public housing tenants live in substandard housing. AHURI recommends an asset management plan which includes the following:

"Ideally an AMP includes sufficient dwelling data to produce individual asset long-term (life-cycle) forecasts of rent and expenses—including rates, insurance, management costs and owner corporation fees—along with maintenance backlog and projections, and capital renewal work. Capital renewal would be informed by understanding the condition-based life-cycle forecasting, but could be overridden by redevelopment options and modelling of cashflow in order to determine cost benefit"

Source: (Sharam, A, et al., 2021)

It is understood that SA Housing Authority has developed a Strategic Asset Management Framework, which has been developed to address expected maintenance within the 2020 – 2030 timeframe. The document consists of a hierarchy of strategy, policy, procedures and plans to support the delivery of the objectives in the state-wide *Our Housing Future Strategy 2020-2030*, as well as the organisational goals set out in the *SA Authority Strategic Plan 2020-2025*. Stakeholder consultations indicated that SA Housing Authority has performed a detailed benchmark of the procurement of maintenance across other Australian jurisdictions, to inform the future Asset Management Strategy and ensure better value for money with improved tenant outcomes. As noted by AHURI, it is important that SA Housing Authority's ongoing asset maintenance and financial management systems accurately record and monitor its maintenance backlog, with the view of accurately identifying the quantum of backlog and implementing an investment approach to reduce this.

There are other opportunities to improve the ongoing management of maintenance. AHURI has commented that transfer of properties to the CHP sector has been a way to shift liability for housing maintenance to CHPs (Sharam, A, et al., 2021). However, the CHP sector has produced better outcomes for tenants in terms of maintenance, as discussed in Section 5.5. CHP transfers in the context of the strategic levers available for SA Housing Authority has been discussed further to improve its financial sustainability.

6.1.3.6 Other Drivers of Operating Expenses

Other smaller drivers of expenses include:

- Staffing costs.
- Other supplies and services.
- Grants and subsidies.

6.1.3.6.1 Staffing Costs

SA Housing Authority currently has around 290 FTEs across its 18 offices and 500 staff in central / corporate functions. Salary and wage costs in FY 2020-21 were $60m and represented a $2m (35 FTE) reduction from FY 2019-20 as a result of a voluntary separation program. SA Housing Authority capitalised labour costs of nearly $10m in FY 2019-20 and $7m in FY 2020-21 in relation to construction projects and IT development.

6.1.3.6.2 Other Supplies and Services

SA Housing Authority incurs costs in relation to the occupation of offices such as rent, cleaning, water and electricity as well as costs related to IT and other supplies and services.

Figure 6-9: Maintenance Expenses

Source: PwC's analysis
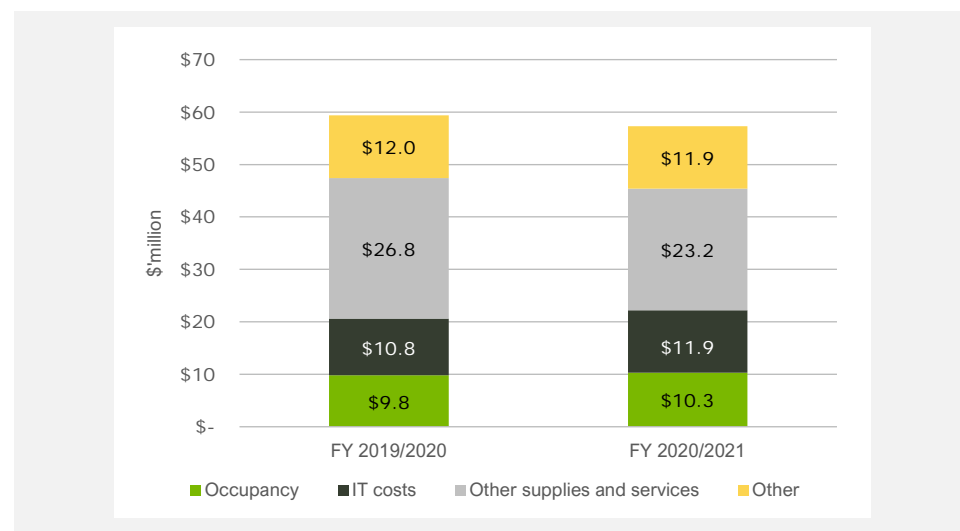
Figure 6-10: Other Supplies and Services

Source: PwC's analysis

6.1.3.6.3 Grants and Subsidies

Grants and subsidies are not an expense driver in of themselves, as these typically relate to the provision of funding to third parties that SA Housing Authority itself has received in the form of SA or Commonwealth Government funding.

SA Housing Authority provides grants and subsidies to several non-governmental organisations for the provision of services such as homelessness services ($68m in FY 2019-20 and $72m in FY 2020-21) and the National Rental Affordability Scheme Subsidies ($7m). SA Housing Authority also make payments for short term hotel and motel expenses as part of numerous programs such as those related to homelessness and emergency relief support. Private rental assistance is provided in the form of bond guarantees and rent grants in the form of four week's assistance to those who meet the eligibility criteria (PwC, 2021). SA Housing Authority does not however directly provide ongoing subsidised rent in the private market.
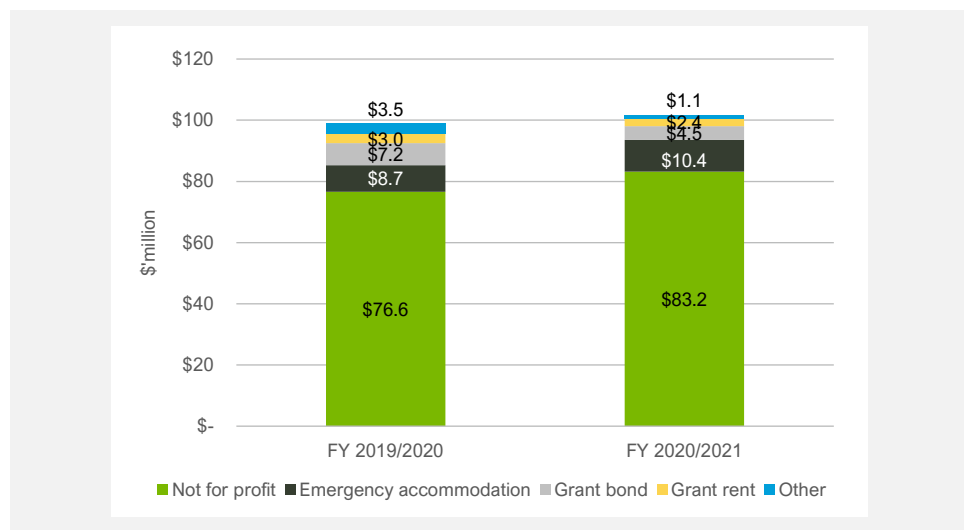
Figure 6-11: Grant and Subsidies

Source: PwC's analysis

6.1.4 Future Drivers of Operating Expenses and Revenue

The current drivers identified in the previous section are expected to remain relevant for the future financial sustainability of SA Housing Authority. As noted earlier, SA Housing Authority's rental income remains lower than its operating expenses. It is thus reliant on SA and Commonwealth Government funding for its financial sustainability.

As noted previously, the FY 2019-20 financial statement stated that there would be equity contributions totalling $778m from FY 2019-20 to FY 2022-23 based on the FY 2019-20 SA State budget. SA Housing Authority has indicated that further equity will be provided of $196m across FY 2021-22 and FY 2022-23. It is also acknowledged that SA Housing Authority had a cash balance of $513m as of 30 June 2021.

Assuming SA Housing Authority's housing stock remains unchanged, SA Housing Authority's rental income is likely to remain stable. SA Housing Authority could implement policies to reduce vacancy rates and improve bad debts[19] but these are unlikely to be of a sufficient magnitude to bridge the gap between SA Housing Authority's rental income and its expenses, as noted by PwC in its recent financial analysis. Moreover, the increasing vulnerability of SA Housing Authority's customer base, as well as the mismatch between the asset profile and customer needs, is likely to further constrain SA Housing Authority's income and increase cost pressure. This is discussed in further detail within section 6.1.5 below.

Property expenses are the largest expense type for SA Housing Authority, with maintenance costs being the most significant of these expenses. Given SA Housing Authority's ageing asset base, it is assumed these will continue to grow and will likely be impacted upon by the changing nature of SA Housing Authority's customer base, as outlined below.

6.1.5 The Financial Impact of Future Service Demand Due to Projected Changes in the Client and Tenant Cohort

Section 3 and 4 of this report outlined how the demand for social and affordable housing is expected to keep increasing (given the broader trends of a lack of affordable housing in the private market), while the changing tenant profile shows tenants are becoming more vulnerable. These trends are not new and have been identified in previous Triennial Reviews. However, the increasing lack of affordable housing (exacerbated during the COVID-19 pandemic) is worsening these issues.

It is expected that the increase in demand, and the complexity of tenant needs, as well as the increase in individuals and single parent families, will have the following implications for SA Housing Authority:

- Higher under-utilisation of SA Housing Authority's portfolio. This because the current stock is designed for families, whereas the current trend shows an increase in single parent families and individuals. A high under-utilisation of its property portfolio would reduce SA Housing Authority's revenue.

- The high proportion of very low-income tenants limit SA Housing Authority's rental revenue, as SA Housing Authority's rental policy establishes that a tenancy rent is the lowest of:

  - The market rent for a property, as determined by the Valuer General each year (or more regularly as required), and

  - A set percentage of the tenant's assessable household income, which can vary depending upon tenant's circumstances. Typically, this percentage is around 25% of assessable household income.

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19 Bad debts were $7.9m in 2020-21 according to PwC's analysis.

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- The tenant profile includes a very vulnerable client base. This may also reduce stock turnover as it is less likely that tenants will be able to enter the private market. While this may reduce maintenance and property owner costs that relate to the exit and entry of tenants, it will also limit the housing supply for future demand.

- Existing policies are focused on highest needs customers, who require specific services. The provision of quality services may require higher staffing numbers, which would elevate cost per tenant and increase SA Housing Authority's operating expenses.

- More complex tenants might result in higher repairs and maintenance, as well as potential property modification (e.g. for disabilities), as noted in the previous Triennial Review.

In order to prevent people from falling into homelessness (in the face of increased risk and prevalence of homelessness as discussed above), SA Housing Authority has undertaken a person-centred client service that has an increased focus on placing clients in housing at an earlier stage (SA Housing Authority, 2020). While this is being directly funded under the NHHA, it nonetheless increases demand in the social housing system.

To ensure high quality services are maintained, an increased cost of service provision is expected, while rental revenue would remain limited due to tenants' increasing vulnerability and associated low-income.

6.1.6 The Strategic Levers to Support Increased Financial Sustainability and Asset Management

Given SA Housing Authority's current and projected future financial position, it is relevant to consider what strategic levers are available to it to ensure increased financial sustainability and improved asset management. It is acknowledged that a robust assessment of financial sustainability would require modelling of the impact of strategic levers upon SA Housing Authority's future income and expenses. This modelling was beyond the scope of this report. It is recommended that such modelling is undertaken in the context of future actions to implement the findings of this review.

It is likely that SA Housing Authority's future costs will increase. SA Housing Authority's ageing housing stock will increase its planned maintenance costs, adding to the existing maintenance backlog. Public housing tenants will be increasingly drawn from cohorts of the most disadvantaged, which includes complex needs such as disability, mental illness, drug and alcohol abuse and domestic and family violence. These will increase tenancy costs as well as potentially increase the costs of reactive maintenance (as identified during consultations).

Demand for housing is increasing and will need to reflect the needs of tenants. The existing property portfolio which is dominated by 3-bedroom houses is under-utilised. Single parent households and families now represent the majority of tenants. Demand for housing may also be shifting from metropolitan to regional areas, as identified during consultations, and as a consequence of the COVID-19 pandemic. However, it is uncertain whether this trend will continue in the long-term.

SA Housing Authority's current initiatives in this space is discussed below, as well as other options that may be explored by SA Housing Authority. Section 4 of this report outlines opportunities for SA Housing Authority's governance model to better enable financial sustainability with the recommendations below noted in addition to this.

SA Housing Authority is working to increase the supply of affordable housing in South Australia

Across Australia, housing affordability has been decreasing, and this trend has been evident in the previous Triennial Reviews for SA Housing Authority. This trend has worsened over the COVID-19 pandemic, with consultations indicating increasing vulnerability in the private market, particularly given the reduction in income for many casualised workers in sectors such as hospitality or retail as a result of COVID-19 lockdowns.

As part of South Australian Government initiatives, SA Housing Authority is collaborating on initiatives to increase the supply of affordable housing, for example, through the requirement for 15% affordable housing on the sale of government land and through affordable housing policy and planning concessions in the planning system. Key objectives include:

- **Delivery of 1000 affordable houses by 2025.** These options will increase supply within the affordable housing market, focusing on housing location and design to meet low and moderate income customer's needs. This initiative includes a total investment of $398.7m in affordable housing to address increasing demand. This is part of the overall Our Housing Future 2020-2030 strategy of "Reduce housing affordability stress through 20,000 affordable housing solutions". The intention is for SA Housing Authority to invest in the houses which it will then sell to eligible customers.

- **Delivering new social, affordable and open market homes through a $54m neighbourhood renewal program over five years.** This initiative will renew older, low-density public housing assets to increase the supply and diversity of housing types.

With the exception of the 1,000 affordable houses, most of these initiatives are designed to increase the supply of affordable housing in South Australia without an investment in affordable housing assets from SA Housing Authority. These initiatives are therefore intended to reduce the burden on SA Housing Authority's social housing portfolio by preventing affordable housing clients from moving into the public housing sector. It is assumed that modelling has been undertaken to identify the impact of these initiatives on the demand for social and affordable housing.

SA Housing Authority has a substantial asset base which is virtually unencumbered by debt.[20] It is worth considering whether SA Housing Authority could leverage its asset base to invest in affordable and other forms of housing to provide an income stream to offset against its public housing portfolio. Robust modelling would need to be undertaken for such investment including whether this would best occur under SA Housing Authority's remit or following a transfer of properties to the CHP sector, as discussed below.

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[20] SA Housing Authority has some motor vehicle leases as well as accommodation leases.

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Opportunity 1. SA Housing Authority should explore the transfer of properties to CHPs as part of a broad investment strategy for the South Australian public housing sector

As detailed in Section 5, jurisdictions such as NSW and Tasmania have initiated programs to transfer the management of social housing assets to CHPs. South Australia is also focusing on a multi-provider model, where the state can leverage the strengths of CHPs to improve service delivery, for example by connecting tenants to specialist CHPs and service providers. Introducing competition and improving tenants' service levels are part of the key objectives sought through the transfers, for example, by enabling comparison across CHPs.

Another important motivator for public housing authorities has been seeking to improve their financial sustainability. Because of their non-profit and non-government structures, CHPs are able to secure Commonwealth Rental Assistance for their tenants, which can increase rental revenue by as much as 50% (Baker, E., et al., 2020). This distinct financial advantage allows for CHPs to conduct greater maintenance and generate an operational surplus that public housing authorities may not otherwise be able to achieve (Baker, E., et al., 2020). Being part of the not-for-profit sector, CHPs may also access tax benefits that are not available for government organisations. It is recommended that SA Housing Authority seek tax advice in this regard. Also, costs such as administrative expenses are incurred during CHP transfers, which should be considered as part of the overall analysis of the long-term cost-benefit assessment.

In some jurisdictions, such as NSW, transfer programs are being designed to facilitate innovation in the CHP sector, while they may also require CHPs to assume additional responsibilities. This may provide opportunities for addressing high future expenses through transfer of maintenance responsibilities, for example, which can be especially relevant for SA Housing Authority due to the magnitude of South Australia's maintenance backlog. Section 5 noted that CHPs have generally had improved maintenance outcomes and greater tenant satisfaction than public housing authorities.

Although the evidence from other jurisdictions has demonstrated financial benefits were achieved through stock transfer to the CHP sector, SA Housing Authority has indicated that it experienced a loss following the transfer of properties to the CHP sector. This was also referred to in the report from the previous Triennial Review. It reviewed existing and forecast costs and savings associated with the transfer of properties to the CHP sector. The report indicated that there were FTE savings of $18m forecast from 2015-16 to 2020-21 but that these did not offset the lost rental revenue incurred. The report also noted that a further $23m of increased house sales over the period or alternate saving options were required to ensure these transfers were cost neutral to SA Housing Authority. The methodology used to calculate this associated loss was not reviewed as part of this assessment.

From a system-wide perspective – considering both community and public housing – there nonetheless appear to be financial benefits from CHP transfers given the taxable status of CHPs and access of their tenants to Commonwealth Rent Assistance. While previous reports have recommended extending Commonwealth Rent Assistance to tenants in public housing, such reforms have not yet occurred (Ong, 2020). It is thus recommended that Authority explore CHP transfers including a detailed financial assessment of the costs and benefits from both its perspective as well as from the system as a whole.

Opportunity 2. SA Housing Authority should explore its financing arrangements as part of its broader investment strategy

Another area of focus for SA Housing Authority's financial sustainability should be its investment strategy. AHURI developed a report focused on this important topic which established that (Lawson, J., et al., 2018):

> *"An 'infrastructure investment pathway' is the route capital takes to construct and operate assets and services to deliver social and economic benefits to society. Both funding and financing play an integral role in this pathway."*

It is important to understand the difference between funding and financing:

- **Funding:** capital investment and operating costs are covered by resources provided by governments and the community. Costs covered may include long or short-term financing costs.

- **Financing:** arrangements that allow the distribution of costs over time. Usually involves borrowing money from private or public sector to cover high up-front capital costs.

Financing is not a replacement for funding. Many institutions from both private and public sectors have arranged a combination of debt and equity sources to finance infrastructure. Private investors tend to have a lower focus on social infrastructure due to the uncertainty of its cash flows, therefore governments tend to provide direct equity through up-front capital and ongoing subsidies to the sector (Lawson, J., et al., 2018).

Productive social housing systems present an efficient infrastructure financing arrangement, which reduces associated government costs. They innovate to create value instead of extract value, using a combination of supply and demand subsidies to address customer needs. Strategies may include reducing land cost by taking advantage of land policy and combining long-term financing with public investment (Lawson, J., et al., 2018).

According to the reports of the 2014 and 2018 Triennial Reviews, SA Housing Authority has previously experienced challenges due to financing. In 2007, SA Housing Authority introduced a financial viability strategy that included a plan to reduce its $880m of debt. This was reduced both through the sale of housing assets and through the $320m Commonwealth debt forgiveness. The 2018 Triennial Review noted that SA Housing Authority held over $200m in cash holdings and no interest bearing debt as of 2017. Based on the most recent financial statement, SA Housing Authority holds approximately $513m in cash holdings and no interest bearing debt as of 30 June 2021.

According to the 2014 Triennial Review, the 2007 financial strategy was developed on the basis of the assumption that SA Housing Authority had no capacity to sustain debt. During the 2010 Triennial Review, a modelling exercise concluded that SA Housing Authority had the capacity to sustain a modest level of debt and still maintain viable operations.

In 2018, AHURI released its report *Social housing as infrastructure: an investment pathway.* This report examined international approaches to funding social housing and made recommendations about the most appropriate investment pathway in Australia.

AHURI concluded that an upfront capital grant as an investment is the best approach, as it reduced the level of subsidy because it minimises financing costs. The other approaches are outlined in the table (overleaf).

Table 6-12: Social Housing Investment Scenarios

Scenario		Definition
1	Operating subsidy	Base case, funding gap is supported by an annual operational subsidy payment that supports paying for finance (where all the required debt is taken out by the provider in the expectation of future subsidy support).
2	Operating subsidy + National Housing Finance Investment Corporation (NHFIC) bond aggregator	Builds on Scenario 1 but applies an interest rate deduction on private finance of 1.5% which is consistent with estimated impacts of a bond aggregator on the cost of private finance
3	Up-front capital grant	As an alternative to private debt, a capital fund invests in developments which reduces the level of required subsidy because it eliminates financing costs
4	Up-front capital grant + NHFIC bond aggregator	Introduces an interest rate deduction on the capital grant model similar to that of Scenario 2. This reduces the interest rate of finance from assumed market rate of 5% p.a. to 3.5% p.a.
5	Up-front capital grant + NHFIC bond aggregator, but with NO CRA	Commonwealth Rent Assistance (CRA) appropriately conceptualised as tenant income and not as a cost in delivering new housing developments. Models the impact of excluding CRA payments from a capital grant model.

Source: (Lawson, J., et al., 2018)

The results of the modelling analysis highlighted, for governments, the capital grant model (with its direct capital investment) would be the most cost effective. It addresses an increase in demand for social housing without the layer of cost provided by operating subsidy models with debt finance. In the latter scenario, governments would end up being responsible for the extra cost through an increased operating subsidy or increased tenant incomes, such as Commonwealth Rent Assistance.

The preferred model would also benefit from small and sustainable levels of debt, which can be covered through rental income from operations. Developments' debt funding would be done through NHFIC loans to not-for-profit providers due to the minimum interest cost involved. Importantly, the modelling considered an average construction and land cost (including professional fees and charges) of $262,000, which may vary depending on the location of the development.

Current policies do not allow the same benefits to public and not-for-profit providers (e.g. access to tax concessions, debt and Commonwealth Rent Assistance). The model assumed that providers would have access to the benefits of all.

It is noted that the capital grant model assumes that governments have both the capital and the political appetite to invest in public housing. This was also commented upon in Section 4. An alternative is to seek private sector investment for example through super funds or other interested in parties, such as occurred in the UK. The AHURI report cautioned that these ultimately represent a higher cost of capital and noted that the UK has abolished its private finance initiative for social housing in 2018. However, there may be opportunities in the Australian context that could be worth exploring, such as co-partnering with super funds to ensure long-term investment in a range of housing including affordable and social housing.

It was highlighted in previous Triennial Reviews and in the Asset Management Framework that SA Housing Authority has relied on assets sales to support cash shortfalls, which can reduce housing supply available and is not sustainable in the long term. There is an opportunity to innovate and re-establish how SA Housing Authority can use funding and financing to support its overall performance. Given the low levels of utilisation of SA Housing Authority's housing stock, and the mismatch between property type and tenant needs, there would be merit in developing an investment plan that results in asset sales and reinvestment in fit for purpose social and public housing. This could be constructed as part of a broader development which includes mixed housing stock, the income from which could be used to offset the reduced income from social and public housing. There could also be consideration of whether this strategy would be undertaken by SA Housing Authority itself, or by CHPs following the transfer of assets to them, as well as the appropriate investment partner for this strategy.

Further analysis should be performed to consider the latest market changes, South Australia's unique housing characteristics and the South Australian governance and regulatory framework before determining the best investment pathway, as well as to determine the best investment vehicles and/or partners for SA Housing Authority.

Future investment and financing pathways should explore the trade-offs between the use of cash and the use of debt, as well as the potential to explore financing strategies from NHFIC and alternatives such as social bonds and social impact bonds. The AHURI report *Social impact investment for housing and homelessness outcomes* has explored the opportunities, capacity and ability of social impact investments to create social change in housing and homelessness (Muir, 2018). Social impact bonds have been used by the Commonwealth Government and have been considered for exploration by the NSW and Victorian Governments. In 2015, the South Australian Government committed $9m to launch a specialised homelessness service using a social impact bond. This led to the Aspire Social Impact Bond, which was the first to focus on homelessness in Australia and was delivered by Hutt St Centre in partnership with CHPs including Common Ground Adelaide and Unity Housing (Muir, 2018).

Appendices

Appendix A – References

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Appendix B – Traffic Light Assessment (Our Housing Future 2020-2030)

Strategy 1			
Rating	**Scope**	**Focus**	**# Actions**
	Create conditions for a well-functioning housing market that meets the housing needs of all South Australians.	Housing market	5

Who does this benefit?

- As per Our Housing Future Strategy 2020-2030. all South Australians and all communities in the housing continuum, including low to moderate income home buyers, young and older people, people living with a disability and regional residents. will benefit from this strategy.

Action	**Measurement**	**Progress**	**Key Comments**
1.1	Recognising housing as essential to the social, economic and environmental infrastructure and is included in the 20-year State Infrastructure Strategy.		On 13 May 2021, the 20-year State Infrastructure Strategy was released and contains a chapter on Housing.
1.2	Creating an appropriate land supply pipeline and diversity of housing supply through a responsive planning and zoning system commencing with the introduction of the Planning and Design Code by 1 July 2020.		On 19 March 2021, the Planning and Design Code was introduced.
1.3	Establishing leadership and governance mechanisms to coordinate housing policy across local, state and federal governments.		2020-2021 Business Plan aims to strengthen governance mechanisms. no further evidence had been provided to determine the Authorities progress against this action.
1.4	Developing local/regional housing plans to respond to specific conditions and local demand.		SA Housing Authority had provided commentary that a draft Local Housing Plan toolkit was scheduled for Board consultation in July 2021, prior to consultation with local councils in the second half of 2021. No further evidence was provided to support the Authorities progress against this action.
1.5	Introducing universal design principles for most new public housing and encouraging it for affordable housing to improve lifespan and function of dwellings and support ageing in place.		SA Housing Authority have provided commentary on their intent to update the Universal Design Principles to extend the disability aspect of design.

Completed Deliverables (to date)

- Delivery of a 20-Year State Infrastructure Plan, by Infrastructure SA (Action 1.1).
- Universal Design Principles, by SA Housing Authority and Community Housing Providers (Action 1.5).

- Introduction of the Planning and Design Code, by the Department of Infrastructure and Transport in partnership with the State Planning Commission (Action 1.2).

Key Characteristics

Customer at the Centre

It is observed that **all actions** within Strategy 1 are focused on providing a housing related service to the customer.

Fostering Development

It was observed when reviewing Strategy 1, that SA Housing Authority intend to **create an environment which inspires housing innovation** and adaptability, **fundamental to ongoing growth and development**.

Financial Sustainability

It is described within Strategy 1, SA Housing Authority's intent to **maximise social, environmental and economic investment**. Noting investment must be sustainable and successfully generate more affordable and convenient housing opportunities for low to moderate income households.

APPENDICES

Strategy 2			
Rating	**Scope**	**Focus**	**# Actions**
◕	Reduce housing affordability stress through 20,000 affordable housing solutions	Affordable Housing Solutions	8

Who does this benefit?

- As per Our Housing Future Strategy 2020-2030. all South Australians and all communities including low-to-moderate income earners, first home buyers, older people downsizing, people living with a disability and those on a social housing register. will benefit from this strategy.

Action	Measurement	Progress	Key Comments
2.1	Delivering 1,000 new affordable houses by 2025 for low and moderate-income households through a $378.7m Affordable Housing Initiative.	◕	SA Housing Authority had provided commentary in the Quarter 4 Our Housing Future Progress Report, noting 40 outcomes were achieved as of 30 June 2021. An additional 7 new affordable housing solutions were delivered in FY 2020-21.
2.2	Delivering new social, affordable and open market homes through a $54m neighbourhood renewal program over five years.	◕	SA Housing Authority had provided commentary in addition to the Quarter 4 Progress Report, noting the intention to deliver 567 new and refurbished dwellings to by 30 June 2025.
2.3	Reviewing and developing underutilised government, private and not-for-profit land to drive innovation and supply of new affordable housing outcomes.	◕	This action has been described as ongoing. In FY 2020-21, SA Housing Authority had purchased 60 hectares of underutilised land in Adelaide's southern suburb, Aldinga, anticipated to return 55 affordable housing outcomes. Information on this purchase was publicly announced on 19 August and can be located on Renewal SA's website.
2.4	Building up to 1,000 new social, affordable and market houses through the Community Housing Asset and Investment Plans.	◐	SA Housing Authority had noted, as of the 30 June 2021, Community Housing Providers have delivered 122 outcomes. Comprising of 58 public housing outcomes, 46 social and affordable housing outcomes and 18 market sales. This action has been flagged as low risk, due to a 22 housing outcome variance for the 2020-21 target.
2.5	Delivering 5,000 Affordable Housing outcomes through inclusionary, design and incentive provisions in the planning system, including the Affordable Housing Policy.	◕	This action has been described as ongoing. Out of the 5,000 affordable housing outcomes, 13 LMAs were signed and 12 projects committed to deliver affordable housing. A total of 1,629 dwellings committed for future delivery. However, no definitive date has been provided. No evidence has indicated a risk of delay.
2.6	Encouraging new partnerships and investment through pilots and further development of innovative financing, planning and supply solutions including Build to Rent, innovative design and shared equity products.	◕	This action has been described as ongoing. SA Housing Authority have noted they had partnered with Home Start finance in May 2021, to relaunch an improved Shared Equity Option.
2.7	Continuing to support home ownership through 10,000 HomeStart Finance loans targeted to low and moderate income households and extending the HomeStart Starter Loan beyond June 2021 by an additional 100 new outcomes per year for five years.	◕	SA Housing Authority had provided commentary in the Quarter 4 Our Housing Future 2020-2030 Progress Report (April – June 2021) noting during Quarter 4 a total of 4,574 HomeStart loans and 141 Starter loans settled. With 1,776 Home Start loans and 378 starter loans were settled in the FY 2020-21.
2.8	Provide 100 supported private rental opportunities over five years for eligible social housing customers.	●	The Affordable Community Housing Land Tax Exemption pilot was launched on 1 March 2020 and is anticipated to run for 5 years. Noting Uniting Housing Company Ltd, Cornerstone Housing Company Ltd and Anglicare Housing Ltd had joined the pilot. Information of the pilot can be read on Revenue SA's website.

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APPENDICES

Strategy 2

Completed Deliverables (to date)

- Affordable Community Housing Land Tax Exemption Pilot by Revenue SA and SA Housing Authority (Action 2.8).

Key Characteristics

Customer at the Centre

It is acknowledged that **all actions** within Strategy 2, references providing a housing related service to the customer.

Integrated

It is articulated within Strategy 2, that SA Housing Authority require a **commitment from all tiers of government, not-for-profit providers and the residential development industry** to bring together key elements required for success.

Financial Sustainability

It was observed within Action 2.3, that SA Housing Authority intend to optimise asset lifecycle and portfolio to meet future tenant needs through the **development of underutilised government land** to drive innovation and supply of new affordable housing outcomes.

Fostering Development

It was observed within Action 2.6, that SA Housing Authority intend to foster development through expanding the choice and diversity of housing, through **partnering with industry to pilot innovation** in affordable housing, through the implementation of programs such as Build to Rent, and shared equity products.

Strategy 3			
Rating	**Scope**	**Focus**	**# Actions**
◕	Create housing pathways to enable people to access housing and services as their needs change.	Joined up system and enabled pathways	8

Who does this benefit?

- As per Our Housing Future Strategy 2020-2030. All South Australians accessing housing and support services, including Aboriginal and Torres Strait Islander people, Older and younger people, People living with a disability, people with complex needs (including those exiting institutional care) and social housing tenants who aspire to private rental and/or home ownership. will benefit from this strategy.

Action	Measurement	Progress	Key Comments
3.1	Examining service hubs and integrated access models, including the review, consolidation and modernisation of Housing SA offices.	◕	SA Housing Authority noted a project plan approved by executive in October 2020. Sharing the modernisation of offices are underway.
3.2	Piloting new intensive supported accommodation models for customers requiring more support than social housing.	●	SA Housing Authority have noted that Housing for Health is a new rough sleeper accommodation within integrate specialist mental health and drug and alcohol support, which commenced operations on 1 July 2021. The pilot supports approx. 45-60 people sleeping rough.
3.3	Supporting shared leasing arrangements, including for older and younger people across the housing market.	◔	Shared leasing is not currently in operation. a paper was submitted to the SA Housing Trust Board in October 2021, with a draft of the new lease agreement which supports co-tenants (up to two) with joint and several responsibilities. The revised lease agreement has been developed in consultation with the Crown Solicitor's Office to ensure it is legally sound. The draft was approved subject to changes, which does not substantively alter the intent.
3.4	Connecting social housing tenants with National Disability Insurance Scheme and aged care benefits they are eligible for.	●	Work is progressing across directorates to implement the actions within the 2020-2024 Disability Access and Inclusion Plan (DAIP). These actions have been embedded in SA Housing Authority's 2020-21 Business Plan to drive the delivery of the DAIP actions and streamline ongoing monitoring.
3.5	Improving service delivery by incorporating lived experience.	◔	SA Housing Authority have noted that a new Housing Advice Advocacy and Engagement Service commenced delivery on 1 October 2020, branded 'Rent Right SA'. Stating a key aspect of this service is that it incorporates a lived experience component that helps inform and improve services provided to clients. Subsequently, the Lived Experience Workshops held by SA Housing Authority informed the Future Directions for Homelessness paper.
3.6	Enabling more low-to-moderate income households to buy a home by improving the provision of grants and subsidies and reducing financial barriers.	◕	Ongoing promotion of available State & Federal grants & incentives via HomeSeeker SA website.
3.7	Bridging the gap between social housing and private rental and home ownership through implementation of moderate income rent reforms from 2021/22 and removing policy disincentives to work to encourage participation and independence.	●	SA Housing Authority have noted that moderate rent reforms were implemented on 1 July 2021. News of the reform was publicly announced on the 4 August 2021 and is available on the Premier's website.
3.8	Addressing the particular disadvantages faced by Aboriginal South Australians through the delivery of an Aboriginal Housing Strategy.	●	The South Australian Aboriginal Housing Strategy 2021-2031 was officially launched by the Premier, Hon. Steven Marshall as a part of his keynote at the National Reconciliation Week breakfast on 27 May 2021. The Aboriginal Housing Strategy is publicly available on SA Housing Authority's website.

Strategy 3

Completed Deliverables (to date)

- Housing for Health Pilot
- Rent Right SA
- Lived Experience Workshops, informed Future Directions for Homelessness

- Rent Reform Policy
- Aboriginal Housing Strategy

Key Characteristics

Customer at the Centre

It is acknowledged that all actions within Strategy 3 aims to enable customer access to housing and services as their needs change. SA Housing Authority specifically acknowledged how **people with lived experience**, are uniquely equipped to recommend service improvements and play a greater role in service design and delivery, focused in Action 3.5.

Integrated

It is articulated within Strategy 2, that SA Housing Authority aim to **better integrating services** and tailoring them to specific regional requirements to provide more **streamlined customer experience and clear pathways** that match people's needs.

Tailored Services

It was observed within Actions 3.4 and 3.7, described SA Housing Authority's intent to **provide for more sustainable, independent tenancies** by assisting social housing tenants to access additional support and bridge the gap between social housing and private rental.

Fostering Development

Action 3.5 not only places people with lived experience at the centre, they are **enabling continuous improvement** and improved service responsiveness within the housing system.

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Strategy 4				
Rating	**Scope**		**Focus**	**# Actions**
◕	Prevent and reduce homelessness through targeted and tailored responses.		Homelessness and support services	6

Who does this benefit?
▪ As per the Our Housing Future 2020-2030 Strategy. people who are homeless or at risk of homelessness, including people with unmet needs who repeatedly cycle through the system, people exiting institutions into homelessness and women and children experiencing domestic and family violence. will benefit from this strategy.

Action	Measurement	Progress	Key Comments
4.1	Transitioning to an outcome-based service model that invests in and rewards positive outcomes.	◔	Five SA Homelessness Alliances commenced on 1 July 2021. Within the first year each, Alliance will develop an outcomes-based framework to help measure performance and achievements in the services delivered to clients. This model directly invests in and rewards positive outcomes for our clients.
4.2	Piloting homelessness prevention initiatives and new innovative housing models through a $20m prevention fund leveraging further investment through partnerships.	◔	The outcome of the first round of the Prevention Fund has resulted in $2.3 million being awarded to Kids Under Cover to provide 51 fully relocatable studios over a three-year period to support young people and prevent them from falling into homelessness. Through their studio Program they build one-or two-bedroom studios in the backyards of homes to assist carers in need of more room to accommodate young people in their care. The studio provides a stable place for a young person to grow and study while keeping them connected to their family reducing the risk of them being forced to leave home prematurely. More information on this initiative is publicly available on SA Housing Authority's website.
4.3	Establishing the Office for Homelessness Sector Integration to reform the homelessness system.	●	The Office for Homelessness Sector Integration, which will continue to manage and drive the Homelessness reform process over the course of 2020 and beyond. Additionally, as highlighted by the release of 'The Future Directions for Homelessness'. Specialist Homelessness Services contracts commence 1 July 2021 for 12 months.
4.4	Developing targeted responses for people who experience chronic homelessness who repeatedly cycle through the system.	◔	Through the implementation of the SA Homelessness Alliances there is an opportunity to reform the South Australian homelessness sector to improve client and system outcomes. The alliance model will encourage greater cross-alliance partnerships and integrated service responses. Anticipating it to help develop targeted responses for people who experience chronic homelessness and repeatedly cycle through the system.
4.5	Supporting Safety First approaches through tailored outcomes commencing with the introduction of the 40-bed program including perpetrator responses which provide options for women to remain in their own home when safe to do so.	●	All 40 beds of the 40-bed program have been allocated across the metropolitan and country locations. Management contracts with NGO's have been extended through to November 2021.
4.6	Implementing Housing First approaches including rapid re-housing, growth of Social Impact Bonds and Pay by Results contracts.	◔	The SA Homelessness Alliances have each developed a Service Network that incorporates a Housing First approach. The provision of accommodation and supportive housing packages with this approach will enable vulnerable people to secure housing at an earlier opportunity and be provided for on a best for outcome basis. Additionally, Office for Homelessness Sector Integration (OHSI) is chairing the Joint Working Group for the Aspire program (Social Impact Bond) with Department of Treasury and Finance (DTF), Department of the Premier and Cabinet (DPC), Social Ventures Australia, Housing Choices and Hutt St Centre.

Strategy 4	
	The program underwent an evaluation process which helped determine the validity of the program and the data outcomes moving forward.
	Data outcomes were identified in the Annual Investor Report issued in December 2020 in relation to the Social Impact Bonds and is publicly available on Social Ventures Australia's website.

Completed Deliverables (to date)

- Homelessness prevention initiative
- Office for Homelessness Sector Integration
- 40-bed Program (Safety First)

Key Characteristics

Customer at the Centre

Strategy 4 is acknowledged to have a focus on **early intervention and preventing customers from falling into housing crisis**. It describes SA Housing Authority's intent to support people across all ages and cultural backgrounds, by equipping them with the skills, resilience and support they required to live independently.

Outcome Focused

Action 4.1 is recognised as outcome focused, as it highlights SA Housing Authority's aim to transition to an **outcome-based service model** that invests in and rewards positive outcomes.

Tailored Services

Strategy 4 describes SA Housing Authority's aim to break the emotionally and financially draining cycle of chronic homelessness by providing Housing First approaches with **targeted and tailored support** that are based on outcomes not outputs.

Fostering Development

It was observed within Action 4.2, that SA Housing Authority intend to pilot homelessness prevention initiatives and new **innovative housing models** through a $20m prevention fund.

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Strategy 5			
Rating	**Scope**	**Focus**	**# Actions**
◔	Modernise the social housing system and reposition it for success.	Social housing	6

Who does this benefit?

- As per the Our Housing Future 2020-2030 Strategy. people who are homeless or at risk of homelessness, including people with unmet needs who repeatedly cycle through the system, people exiting institutions into homelessness and women and children experiencing domestic and family violence. will benefit from this strategy.

Action	Measurement	Progress	Key Comments
5.1	Investing $75m to start addressing the public housing capital maintenance backlog and to improve sustainability and energy efficiency of public housing, where possible.	◔	SA Housing Authority have described the $75mil investment as a key focus within the Our Housing Future Strategy and is publicly available on SA Housing Authority's website. In addition, SA Housing Authority have described a commitment to sustainability through the Virtual Power Plant, with a trial commencing for a power wall for group sites where solar and battery options cannot be installed. An asset survey report was completed in April 2021, with work to provide a framework for future investments for 2021-22 financial and ongoing financial years in progress.
5.2	Reforming the operations of the social housing system, including implementing and reforming the Single Housing Register, reviewing eligibility and allocations policy, exploring points-based assessment and trialling choice-based letting and clear mutual obligations for successful tenancies.	●	A Single Housing Register was completed on 1 March 2021. With information on the register publicly available on the SA Premiers website. Additionally, SA Housing Authority have noted Eligibility and Allocations Policies have been reviewed, and a Choice-Based Letting trial is underway, further information on the Choice-Based Letting can be found on the Community Housing Council of South Australia website.
5.3	Improving the sustainability of the social housing system through: - Addressing the financial sustainability of the system - The introduction of a system-wide strategic asset management approach including strategic asset disposal and investment - Developing a 10-year plan to optimise the efficient and effective management of social housing and to support the growth of community housing providers - Reviewing the functional responsibilities for housing policy, regulation and management to provide greater transparency and contestability.	◔	PWC had been engaged to undertake a benchmark and analysis of SA Housing Authority's financial performance KPIs. To identify cost and revenue drivers, including asset and customer cohort related drivers. Additionally, they had been engaged to review the financial modelling and advise on appropriate assumptions and scenarios to incorporate in the financial model. As of 1 December 2021, PWC had provided their final report of Financial Diagnostic and Model Review in addition with the draft Financial Strategy Model, to SA Housing Authority who provided a copy to Aurecon/Deloitte to witness as part of this review. This action remains *in progress* until the formal release of the Financial model.
5.4	Delivering up to 1000 employment and training outcomes targeted to social housing tenants through social procurement and targeted employment programs delivered in partnership with Job Networks, not-for-profit, other government agencies and business.	◔	SA Housing Authority have noted that 50% of the of the employment and training outcomes have been achieved, indicating 510 Employment Pathway Program outcomes achieved, 419 Training outcomes and 91 Employment outcomes as of 30 June 2021.
5.5	Implementing Industry Development Frameworks that strengthen the multi-provider social housing sector as a key agent of change.	◐	Through the establishment of the Alliances, the SA Housing Authority is strengthening the multi-provider social housing and support system, with the SA Housing Authority and Specialist Homelessness Service Providers working together to improve homelessness, domestic and family violence services, through collaborative governance arrangements, founded on mutual shared accountability for outcomes. Social housing industry development framework is to be developed as part of the social housing modernisation implementation workplan. SA Housing Authority had provided commentary in addition to the Qtr. 4 Our Housing Future Progress Report (SA Housing Authority, 2021), noting that the workplan was to be progressed as part of the Social Housing Modernisation Implementation Committee (SHMIC) Workplan, as it applied to the whole sector rather than limited to the Community Housing sector. The Workplan has not yet been completed.

APPENDICES

	Strategy 5		
5.6	Implementing Unit Cost Modelling to provide transparency and accountability for government subsidy.	🟢	SA Housing Authority have noted that the Unit Costing project was completed with presentation to the SA Housing Authority Board in April 2021.
			The project delivered an updated activity-based costing model and unit costing model, with quality reviewed by external consultant.
			Noting that the updated activity-based costing improves the accuracy of reporting on program expenditure and will be used to improve disaggregated disclosures published in future SA Housing Authority financial statements. The cost models also form part of an evidence base to inform work underway on financial sustainability strategy (relating action 5.3).

Completed Deliverables (to date)

- Maintenance program
- Choice based letting
- Financial diagnostics and Model Review
- Financial Strategy Model
- Unit Costing Model

Key Characteristics

Customer at the Centre

It is recognised that **all actions** within Strategy 5 place the 'customer at the centre' of social housing decision-making.

Integrated

It was observed within Action 5.2 that SA Housing Authority intends to reform the operations of the social housing system, including the implementation and reform of a single housing register, by improving the performance of the social **housing system through clear expectations, consistent policy** and assisting people to the housing option that is most suited to their needs.

Financial Sustainability

Action 5.3 described SA Housing Authority's intent to **address the financial sustainability of the social housing system** and **introduce system-wide strategic asset management approaches.**

APPENDICES

Appendix C – Traffic Light Assessment (SA Housing Authority Business Plan 2020-21)

Lead

Summary of SA Housing Authority's progress against the 'Lead' performance measures

Strategic Plan		Business Plan 2020-21	
Objective	**Outcomes**	**Priority**	**Key Initiatives**
Model a strong, fair and inclusive housing system that delivers on customer and community expectations.	**Transparently and accountably** meet housing needs and deliver value for money.	**Data Analytics**	Strengthen 'our' ongoing governance framework.
			Improve 'our' performance through increased quality, use, and sharing of data and research.
			Lift the organisation's position and profile.
			Intergovernmental relations and integrated policy.
	A **culture of collaboration, inclusivity and diversity** is supported and rewarded.	**Aboriginal Housing Strategy**	Address the specific needs of Aboriginal people.
			Establish SA Housing Authority's own Reconciliation Action Plan (RAP)
			Embed workforce cultural lived experience, equality and respect practices across the organisation.
			Disability inclusion.

Performance measure	Financial Year Targets				
	20-21	**21-22**	**22-23**	**23-24**	**24-25**
Delivery of 10,000 affordable housing solutions	**2,000**	2,000	2,000	2,000	2,000

Measurable	Jun 21 Target	Actual (at 30 Jun 21)	Rating
Affordable Housing Solutions	**2,000**	**1,954**	◖
Affordable Housing listings		**576**	
15% Policy		187	
Government Supply	400 total	*	●
Voluntary		*	
SA Housing Authority sales	150	252* (total sales)	
Sales to Eligible Buyers		***204**	
Private Market	100	*149	●
Not-for-Profit	120	**	○
Open market sales	10	*55	●
Shared Equity	10	**	○

** Insufficient Data

Excel

Summary of SA Housing Authority's progress against the 'Excel' performance measures

Strategic Plan		2020-21 Business Plan	
Objective	**Outcomes**	**Priority**	**Key Initiatives**
Equip our people to provide **efficient and effective service** for our customers.	Creating **a learning and achievement culture,** supported by an agile workforce.	**Culture growth**	**Organisational cultural change program.**
			Leadership Framework and Program
			Project Management Capability Improvement.
			Develop a workforce development plan.
			Reform the Health, Safety and Wellbeing (HS&W) Framework and Processes.
	Modernise our systems and processes to improve access and choice for customers.	**New customer access**	**Business systems transformation (Connect).**
			Development of an Information and Communication Technology (ICT) Strategic Plan.
			Modernisation of corporate systems.
			Development of a Business Intelligence Strategy.

Performance measure	Financial Year Targets				
	20-21	**21-22**	**22-23**	**23-24**	**24-25**
Improve culture indicators by 20%.	**4%**	8%	12%	16%	20%

Measurable	June 2021 Target	Actual (at 30 June 2021)	Rating
Improve culture indicators by 20%.	**4%**	**	○
Staff engagement participation/score	>50% participation >70% score	73% participation ** score	○
Staff performance plans in place	>75%	80%	●
BST User uptake and satisfaction	>50%	**	○
Customer uptake of digital services	>35%	**	○

**Insufficient Data

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Renew

Summary of SA Housing Authority's progress against the 'Renew' performance measures

Strategic Plan			2020-21 Business Plan
Objective	**Outcomes**	**Priority**	**Key Initiatives**
Invest in sustainable housing to **provide greater choice and better customer outcomes** that support State growth.	Portfolio planned **housing matched to customer's needs.**	**1,100 affordable housing initiative**	**1,000 new affordable houses by 2025 for low and moderate income earners through a $398.7m affordable housing initiative.**
			New social, affordable and open market homes through a $54m neighbourhood renewal program by 2025.
			Strategic asset management and portfolio planning (Asset Plan).
			Ensure maintenance of SA Housing Authority portfolio is adequately planned and delivered.
			Virtual power plant.
	Develop effective industry partnerships to **increase investment, innovation and housing outcomes.**	**Economic stimulus**	Enhance community housing partnerships and housing outcomes.
			Affordable home ownership through shared equity.
			Enable and promote delivery of affordable housing by the private sector.

Performance measure	Financial Year Targets				
	20-21	**21-22**	**22-23**	**23-24**	**24-25**
Investment of $452m into new social and affordable housing supply.	**$72.7m**	$120.5m	$142.4m	$77.4m	$26.9m

Measurable	June 2021 Target	Actual (as of 30 June 2021)	Rating
Investment of $452m into new social and affordable housing supply	**$72.7m**	**$14.3m**	🔴
Capital program delivered	$205.7m	$138m	🔴
% Completion of community housing asset and investment plans	95%	122 completed	🔴
Affordable housing outcomes delivered	$61.91m	$9.5m	🔴
% Maintenance programmed/responsive	Programmed 35% Responsive 65%	Programmed 15% Responsive 85%	🟡

Modernise

Summary of SA Housing Authority's progress against the 'Modernise' performance measures

Strategic Plan			2020-21 Business Plan
Objective	**Outcomes**	**Priority**	**Key Initiatives**
Make it easier for South Australians to get the **housing assistance they need**, when they need it, for the time they need it.	**Assist customers to achieve independence and meet their housing aspirations.**	**New Affordable Homes program launch**	**Customer Service Strategy.**
			Customer Policy Review.
			Review, consolidate and modernise Housing SA regional offices
			Delivering up to 1,000 Employment and Training outcomes.
			Connecting social housing tenants with NDIS and Aged Care benefits.
	Implement local solutions that improve the outcomes for our customers and the communities they live in.	**Social housing reform**	Undertake the walk up flats Community Development Trial and Allocation Strategy.
			Address the property and living conditions of 'our' tenancies.
			Debt Management (PH).
			Review of Authority service regional model.

Performance measure	Financial Year Targets				
	20-21	**21-22**	**22-23**	**23-24**	**24-25**
Increase the number of housing registrants receiving at least one housing related service by 10%.	↑2%	↑4%	↑6%	↑8%	↑10%

Measurable	June 2021 Target	Actual (as of 30 June 2021)	Rating
Increase the number of housing registrants by at least one housing related service by 10%.	↑2%	↓37.6%	🟡
Overdue ASB investigation	5%	11%	🟢
Number/% of tenants in debt and no payment in last four weeks	1%	1.4%	🟡
Vacancy turnaround % of total properties vacant % of lettable properties vacant	5% 2%	5.6% total vacant 1.9% offer able 3.9% non-offerable	🟡
Housing allocation to greatest need (Cat1)	90%	88%	🟡

Transform

Summary of SA Housing Authority's progress against the 'Transform' performance measures

Strategic Plan		2020-21 Business Plan	
Objective	**Outcomes**	**Priority**	**Key Initiatives**
Design and deliver **new homelessness service models with our partners** to assist people to remain in or achieve sustained housing.	Respond **quickly and appropriately** to emergency, short-term and ongoing housing needs.	**Specialist Homelessness Sector reform**	**Successful delivery of Homelessness Sector Reforms.**
			Deliver 40-bed election commitment.
			Deliver the no interest loan – domestic violence accommodation election commitment.
			EAP Reforms completed.
			Implement year 1 of the prevention fund.
	Improved **collaboration and strengthened responses** across all levels of government and community sector.	**Housing and Homelessness Sector growth**	Establishing the office for Homelessness Sector Integration to reform the homelessness system.
			Develop systems that support reform.
			Adelaide Zero Project.
			Sector Growth.

Performance measure	Financial Year Targets				
	20-21	**21-22**	**22-23**	**23-24**	**24-25**
Achieve Functional Zero for rough sleepers	**Adelaide CBD**	Adelaide CBD	Greater metropolitan Adelaide	Greater metropolitan Adelaide	Regional Areas

Measurable	June 2021 Target	Actual (at 30 June 2021)	Rating
Achieve Functional Zero for Rough Sleepers	**Functional Zero in Adelaide CBD.**	**Not achieved. 98 people**	◑
Houses per month contributed to Adelaide Zero Project	10 per month	16.9 per month (average)* includes other social housing dwellings	●
Total number of nights provided	1,500 per month	4,971 (June 2021)	◕
Value of EAP vs budget	$300,000 per month	$1,171,175 (June 2021)	◕
Engagement in Homelessness Reform Process	80% satisfaction with engagement process	**	○

**Insufficient Data

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Appendix D – National and International Jurisdictional Benchmark

Victoria, Australia	
Homes for Victorians	
Increase **housing choices** for Victorians.	Streamlines and empowers a customer's housing or homelessness journey.
Work in **partnership with Commonwealth Government and local councils**, as well as the **community social housing sector** and the development and construction industries.	Enables new partnerships that strengthen system-level outcomes.
Recognises that the issues are cut across many different policy areas and requires **whole-of-government** action.	Consistent definition and approach to diverse customer needs.
A Better Place: Victorian Homelessness Strategy 2020	
Tailoring services to meet the needs of different individuals and groups, rather than a one-size-fits-all approach.	Responsive to the current and changing needs of a customer.
Heading which discusses moving to a **prevention and early intervention model.**	Enables a customer to successfully transition from the system and break the cycle of readmission.
Outcome based policy and **service delivery.**	A delivery model that enables the agility to flexibly respond to changing needs of the customer.
Strategy contains existing **Innovation** Projects i.e. Safe at Home, Prison Exit Program, Youth Foyer, Melbourne City-mission Youth Precinct, Social Inclusion Project, etc.	Encourages diverse thinking and pursuit of Continuous Improvement and Innovation.
Whole-of-government approach to address the causes and effects of homelessness for people at **different life stages.**	Alignment and implementation of provider vision and strategy at a system-level.
Subsection which addresses setting a **consistent definition** of homelessness.	Consistent definition and approach to diverse customer needs.
Victoria's Big Housing Build	
Dwellings will include a mix of 1, 2 and 3 bedrooms, responding to the **changing needs** of **households.**	Responsive to the current and changing needs of a customer.
10% of all net new social dwellings will **support Aboriginal housing needs.**	Provides culturally sensitive services.
A **sustainable** and **renewed public housing portfolio**.	Optimise asset lifecycle and portfolio to meet future tenant needs.
Commits to **pursing opportunities** to **partner with industry**, **community housing providers**, **local government** and **institutional investors** to identify new projects that deliver homes across Victoria.	Enables new partnerships that strengthen system-level outcomes.

New South Wales, Australia	
NSW Homelessness Strategy 2018-2023	
The 3 key focus areas of the document demonstrate the NSW Government's attempt to target specific cohorts and **tailoring the services to suit their specific needs**. Through: - **Early intervention** (younger cohort, low-income families, financial hardship) - **Effective support and responses** (sleeping rough, mental illness, high/complex needs. Aboriginals, rural and regional areas) - **Integrated customer centric service system** (all groups of people with emphasis on people with high or complex needs)	Recognition and understanding of the diverse circumstances and unique needs of each person.
Improve services by increasing trauma-informed care and **culturally appropriate practice.**	Provides culturally sensitive services.
Increase access to supports including housing, that **prevent homelessness** and **re-entry into homelessness** (i.e. breaking the cycle).	Enables a customer to successfully transition from the system and break the cycle of readmission.
Housing 2041: NSW Housing Strategy	
Enhanced partnerships and cross-sector collaboration – through the increase of housing data and evidence.	Promotes and demonstrates cross pollination of knowledge and learnings that builds sector capability.
The Strategy acknowledges the **Traditional Custodians of the land and waters**, demonstrating commitment to providing places in which Aboriginal people are included **socially, culturally and economically** through thoughtful and collaborative approaches.	Provides culturally sensitive services.
Demonstrates the need for **people to live sustainably** (i.e. be able to live in homes which **enables them to be self-sufficient, deliver sustainable homes).**	Enables a customer to successfully transition from the system and break the cycle of readmission.
Collaboration is at the centre of Housing 2041 and demonstrates the state governments commitment to establishing evidence-based foundation to drive collaboration. **Success of the NSW housing system dependent on investment, policy, legislation and regulation**.	Consistent definition and approach to diverse customer needs.
Housing 2041 states "**Enhanced partnerships and cross-sector collaboration by increasing availability of housing data, evidence and research**. by making continuous improvements to reduce planning assessment	Sharing information consistently and transparently through a common language to better enhance or identify services for a customer's unique needs.

processing times and red tape across all tiers of government. by collaborating to test new ways of living".	
Talks about improved alignment of housing with Infrastructure and community services for NSW communities by establishing and implementing strategic planning principles at the state and local level, effectively **supporting how people want to live now and into the future.**	Responsive to the current and changing needs of a customer.
The Strategy provides evidence of **actions** to achieve the 20 year vision **that is not static but updated over time**. Noting an inaugural two-year action plan which accompanies the Housing Strategy to be issued - to **flexibly allow NSW Government and its partners to update priorities based on changing and emerging needs of customers**.	Seamless housing and homelessness services that are enabled by appropriate systems and processes.
Describes the delivery of the NSW Budget 2020-21 **stimulus commitment will improve services, based on investigations into new sources of sustainable funding**.	Strategic allocation of income between services, aligned to the system-level outcomes.
Encourages partnerships to make **continuous improvements to reduce red tape.**	Encourages diverse thinking and pursuit of continuous improvement and innovation.

Queensland, Australia

Queensland Housing and Homelessness Action Plan 2021-2025

The Queensland Government demonstrates foundational reform to frontline services through Service Delivery Transformation, with **new person-centred customer service approaches, tailored pathway planning** and redesigned Housing Service Centres.	Recognition and understanding of the diverse circumstances and unique needs of each person.
One of the key themes observed in the Action Plan was early intervention within the younger cohorts.	Early intervention of vulnerable customers with preventative focus.
Queensland's homelessness response recognises that stable, sustainable, affordable, longer-term housing combined with appropriate supports is critical to helping people to stay in their homes, **achieve improved whole-of-life outcomes** and reduce demands on government services. Acknowledging the State government's commitment to: - Better coordinate and integrate services across government and the sector and develop a new framework	Streamlines and empowers a customer's housing or homelessness journey fairly, equitably and equally.

to ensure **no person exits from another government service to homelessness**. - House people who are in crisis and transition them to longer term housing with on-site or mobile support.	
The Housing and Homelessness Action Plan describes: **- Partners with the homelessness sector to implement continual system reform and capability development.** - "**improved information sharing and formalised referral pathways** **between agencies** to strengthen responses for people with complex needs".	Sharing information consistently and transparently through a common language to better enhance or identify services for a customer's unique needs.
Discusses the **delivery of rental law reform** in Queensland, including minimum housing standards, that better protects renters and lessors and **improves stability in the rental market**.	Policies aligned to financial drivers.
"Improved **information sharing and formalised referral pathways between agencies to strengthen responses** for people with complex needs"	Promotes and demonstrates cross-pollination of knowledge and learnings that builds sector capability.
Supports **innovation through the funding of a Dignity First Funds** - which **supports the new and innovative ideas that prevent and reduce homelessness** and helps people experiencing homelessness live with dignity.	Encourages diverse thinking and pursuit of continuous improvement and innovation.
Supports **growth, sustainability and innovation** of the community housing sector. -Work in partnership with the Aboriginal and Torres Strait Islander Housing Body to strengthen housing outcomes for Aboriginal and Torres Strait Islander peoples, supporting the sustainability of Indigenous housing providers and the community housing sector. -Continue to work closely with the community housing peak and industry bodies to further promote growth, sustainability.	Encourages diverse thinking and pursuit of continuous improvement and innovation.

Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023

Discusses sustainability in relation to **sustainable change, sustainable housing** - in consideration to the **customer's wellbeing and a critical step to improving life outcomes**. The Action Plan also notes the implementation of culturally-responsive pathway planning and case	Enables a customer to successfully transition from the system and break the cycle of readmission.

coordination to **connect people to the support they need** (i.e. Action 6). And, discusses **pathways** and planning for homelessness and mentions the idea of transition based services to **help people transition between services when they need to**.	
Emphasis on partnering with communities and performing consultations/customer reviews which drives their initiatives. Discusses **partnership with several organisations to help deliver solutions which match the requirements and needs obtained from the community consultations**.	Robust allocation of services across multiple-levels to meet unique needs of the customer (i.e. matching capability to the required need).
Provides **culturally-responsive services and housing support to respond to individual needs,** wherever people are along the housing continuum.	Provides culturally sensitive services.

WA Housing Strategy 2020-2030

The WA Housing Strategy describes its approach to support early intervention and prevent people from falling through the gaps.	Early intervention of vulnerable customers with preventive focus.
Focus area 4: Access – describes the WA State Governments commitment to **integrate** and **streamline access** to help people find **appropriate housing and support.**	Streamlines and empowers a customer's housing or homelessness journey.
They are also committed to supporting **Aboriginal people and culturally and linguistically diverse backgrounds** access appropriate housing.	Harmonisation between government, department and providers at multiple levels, to holistically respond to customer needs. Provide culturally sensitive services.
The Strategy has a "Focus Area (5)" which targets providing housing pathways to **enable flow through the housing continuum.**	Provide pathways which enable customers to gain entry across the housing continuum.
Focus area 3 describes empowering people to make housing decisions through **housing literacy**. Focused on providing information to make informed decision.	Educates and increases awareness to build sector services.

All Paths Lead to a Home: Western Australia's 10-Year Strategy on Homelessness 2020-2030

The housing first approach emphasises on **getting people into permanent homes with flexible and tailored supports to follow**. Noting, specific Housing First programs, which typically target people who are chronically sleeping rough, **cannot end homelessness alone**. They are part of a broader system response to	Enables a customer to successfully transition from the system and break the cycle of readmission.

homelessness and other support and accommodation options will always be needed to meet the diverse needs of people who experience homelessness.	
Discusses **partnerships with communities and service providers across the key actions listed in this strategy**. e.g. Designing responses in partnership: HYAC and the Youth Plan	Robust allocation of services across multiple-levels to meet unique needs of the customer (i.e. matching capability to the required need).
The Strategy states "by taking a culturally responsive approach, this service is able to work with an individual to **address their complex needs, and to help support broader outcomes** for their extended family".	Responsive to the current and changing needs of a customer.
Strategy states: "**priority will be given to services that align with the priorities and principles of the Strategy, including those that are culturally competent**".	Provides culturally sensitive services.
-Will look at ways of increasing the supply of social and affordable housing, which is critical for **preventing homelessness and for providing sustainable pathways out of homelessness**. -These supports need to be tailored to individual need. They may include options such as rental subsidies, financial counselling, advocacy support or assistance with employment and education pathways. -QHIP is intended to help services provide improved services and pathways for clients.	Provides pathways which enable Customers to gain entry across the housing continuum.
-QHIP is intended to **help services provide improved services and pathways for clients**. -For each young person and their family, a **dedicated service worker works in partnership with multiple agencies including police, health, education, child protection and justice, as well as non-government service providers.**	Seamless housing and homelessness services that are enabled by appropriate systems and processes.
Stated. "there is a corresponding **requirement for funding through contracts to encourage and enable service providers to support people through the system to the right services".**	Strategic allocation of income between services, aligned to the system-level outcomes.

New Zealand

Maihi Ka Ora: The National Maori Housing Strategy 2021-2051

The Strategy supports **local-led solutions**.	Recognition and understanding of the diverse circumstances and unique needs of each person.
A key focus area within the strategy is **Housing Sustainability** for Māori people. Focused on providing housing solutions, and also sustaining the connection between Māori and their whenua (culture).	Provides culturally sensitive services.
	Delivery of services which contribute to sustainable, inclusive and thriving communities.

Aotearoa Homelessness Action Plan 2020-2030

Emphasis on discussions and workshops with people with lived experience and **tailoring their services and polices to suit**. Actions will be target across prevention, supply, support and system enablers, **catering for the needs and requirements of specific cohorts**.	Recognition and understanding of the diverse circumstances and unique needs of each person.
-The Action Plan **purpose is to work together to prevent and reduce homelessness**. The plan embeds **prevention responses** such as: partnering with their Indigenous people to **prevent homelessness**, providing tailored support, expand housing care, improve transitions between services.	Early intervention of vulnerable customers with preventative focus.
Uses lived experience of the following **Indigenous communities** as drivers for policies and legislations: **-Te Tiriti o Waitangi** **-Whanau-centred and strength based** **-Kaupapa Maori Approaches**	Provides culturally sensitive services.

New Zealand Kāinga Ora – Homes and Communities Legislation

- The Legislation states, how it requires the **contribution into sustainable, inclusive and thriving communities** that will: • provide people with good quality, affordable housing choices that meet diverse needs • support good access to jobs, amenities and services • sustain or enhance the overall economic, social, environmental and cultural wellbeing of current and future generations.	Delivering services which contribute to sustainable, inclusive and thriving communities.

Scotland, United Kingdom

Ending Homelessness and Rough Sleeping: Action Plan

Recognises the **diversity of requirements** to help the homeless and describing **no one size fits all solution**.	Recognition and understanding of the diverse circumstances and unique needs of each person.
Big emphasis on **early intervention of homelessness** across diverse groups.	Early intervention of vulnerable customers with preventative focus.
The Homelessness and Rough Sleeping Action Plan describes the Scottish Governments commitment to improving the quality and availability of evidence on homelessness in Scotland. Stating "informing an effective response, we will improve the collection and **sharing of information to facilitate support**".	Sharing information consistently and transparently to better enhance or identify services for a customer's unique needs.

A National Framework to Start-up and Scale-up Housing First in Scotland

- **Choice and control, including over the location, tenure and type of home someone wants to live in, is central to Housing First**, as is people moving into their own home as quickly as possible. - Noting it is **important that this choice is placed in the 'real-world' context** of local housing markets and availability which are different in each area. - National Framework is aligned to Scotland's National Performance Framework which **addresses empowerment, fairness, equity and equality** - Helping systems change to **improve personal journeys**.	Streamlines and empowers a customer's housing or homelessness journey fairly, equitably and equally.
The Framework acknowledges people getting 'stuck' in a cycle and system of homelessness, noting there is a huge social and financial benefit for customers to be **resettled into a 'Housing First' approach than being 'stuck' in a cycle of homelessness**.	Enables a customer to successfully transition from the system and break the cycle of readmission.
The Frameworks contains a sub-category on 'Prevention Duty', stating "**Intervention to prevent homelessness should start as early as possible**"	Early intervention of vulnerable customers with preventative focus.
The National Framework describes an overarching Framework (i.e. **Scotland's National Performance Framework**) which provides a performance overview (i.e. on how the Government are performing across our **National Outcomes and how the National Indicators** are performing).	Consistency in performance indicators and reporting across sector.
There is a method provided in the Framework which facilities the rolling cycle with each local authority (incl.	Sharing information consistently and transparently through a common language to

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gathering insights, self reflecting, becoming a sounding board, sharing solutions and checking in).	better enhance or identify services for a customer's unique needs.
	Promotes and demonstrates cross-pollination of knowledge and learnings that builds sector capability.

England, United Kingdom

Homes England Strategic Plan 2018-2023

England have described the development and implementation of a **consistent approach to measure the impact** of MMC in partnership with industry in their 2018-20 priorities.	Consistent definition and approach to diverse customer needs.
England describes the **strategic partnerships** with housing associations to achieve greater flexibilities to how they invest in affordable housing.	Enables new partnerships that strengthen system-level outcomes.
The Strategic Plan includes a **financial plan** which describes the governments intent to establish **transparent and robust budgets**.	Accurate and transparent reporting of revenue and expenditure across operations.
The England Government plans to achieve their strategic plan through an improved governance structure which includes **clear lines of accountability**.	Shared understanding and definition of roles, responsibilities and accountabilities across the sector (at multiple levels) that enables agile decision making.
The Strategic Plan described steps already taken to further improve **equality and diversity** within the organisation, with several networks created including Gender, **Black and Minority Ethnic**, Disability, LGBT+ and Build Together. The purpose of these networks is to draw on the skills of society and bring equal employment opportunity.	Provides culturally sensitive services.
	Recognition and understanding of the diverse circumstances and unique needs of each person.

Homelessness and Rough Sleeping Strategies 2020-2025

Each local government across England has developed its own Homelessness and Rough Sleeping Strategy to target key focus areas for Functional Zero homelessness within their local area and achieve a national target.	Responsive to the current and changing needs of a customer.

London Housing Strategy

Alongside the public checker, the Mayor has committed to making a second tier of **information available to councils to support information sharing and collaboration across the capital**.	Sharing information consistently and transparently through a common language to better enhance or identify services for a customer's unique needs.

England, United Kingdom

The Strategy discusses **several metrics of financial pathways to enable customers gain entry to a home** specifically targeting policies regarding private renters and lease holders.	Provides pathways which enable customers to gain entry across the housing continuum.
This strategy heavily **discusses the construction of affordable homes, as well as its assets and current portfolio**. Mentioning the **management of assets and portfolios** to suit its actions and carry out **upgrades of existing CHPs** and provide better construction of homes.	Optimise asset lifecycle and portfolio to meet future tenant needs.
Promotes innovation in housing delivery through the development of an **'Innovation fund'**.	Encourages diverse thinking and pursuit of continuous improvement and innovation.
The Mayor will work with housing associations to ensure that they are able to significantly increase the number of new genuinely affordable homes, including those based on social rent levels, that they deliver. This will include: ii. forming **new strategic partnerships** with ambitious housing associations. -To help address this, the Mayor is funding a new Community-Led Housing Hub for London to provide learning, sharing and partnership brokering opportunities for communities wishing to develop their own homes.	Enables new partnerships that strengthen system-level outcomes.

Canada

Canada's National Housing Strategy

The Fund will align with public investment in job creation, skills training, transit, early learning, health care, and cultural and recreational infrastructure. -This collaborative work **respects and strengthens the Inuit-Crown relationship** and will help **achieve the common goal of reducing the housing needs in Inuit Nunangat** and **developing long-term solutions that reflect Inuit lifestyles, traditions and culture**.	Strategic allocation of income between services, aligned to the system-level outcomes
	Recognition and understanding of the diverse circumstances and unique needs of each person.
	Provides culturally sensitive services.

Canada	
Describes the **allocation of funding which enables providers to meet minimum requirements for asset management.**	Optimise asset lifecycle and portfolio to meet future tenant needs.
Reaching Home: Canada's Homelessness Strategy	
Strategy describes funds allocated to Indigenous service providers to address the **specific needs of Indigenous** people living ff-reserve who are homeless or at risk of homelessness.	Provide culturally sensitive services.
	Responsive to the current and changing needs of a customer.
Reaching Home supports designated communities to achieve the community outcomes. **Designated Communities are to demonstrate progress made toward achieving their outcomes by reporting publicly in an annual Community Progress Report**	Sharing information consistently and transparently to better enhance or identify services for a customer's unique needs.
	Pursuit of customer outcomes at a system-level.

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Appendix E – The SA Housing Authority's Changing Customer Needs

Placing the 'customer at the centre' of decision making is at the core of operating as a successful, modern multi-provider system. Recognising and understanding the diverse circumstances and unique needs of both SA Housing Authority's current and future customers is imperative. Amongst the extensive data that SA Housing Authority capture of its customers, to respond to national data collection and reporting requirements, specific data is captured as it relates to social housing, private rental assistance and homelessness customers. The following sections considers analysis from 2017-18 to 2020-21 of:

- Public and State Owned and Managed Indigenous Housing Customers (Section 1).

- Community and Indigenous Community Housing Customers (Section 2).

- Customers receiving Private Rental Assistance (Section 3).

- Customers receiving Homelessness Services (Section 4).

1   Public and State Owned and Managed Indigenous Housing

As of 30 June 2021, there were approximately 34,680 dwellings across Public Housing and State Owned and Managed Indigenous Housing, with 96% in Public Housing. This represents a decrease in the total number of dwellings managed by SA Housing Authority since the previous Triennial Review of 11.1%. Table 1-1 presents a summary of the total number of dwellings managed by SA Housing Authority by financial year, including the number of dwellings where management was transferred to CHPs.

Table 1-1: Number of Social Housing Dwellings Managed by State Housing Authorities

As of 30 June	2016-17[1]	2017-18	2018-19	2019-20	2020-21[4]
Public Housing[2]	37,281	32,686	32,472	32,147	31,938
SOMIH[2]	1,734	1,449	1,414	1,388	1,365
Total	**39,015**	**34,135**	**33,886**	**33,535**	**33,303**
YOY Change	-	-4,880	-249	-351	-232
Transferred to CHPs[3]	0	4,003	12	0	250

Note:

[1] Outside Triennial Review window, transfer of significant number of properties occurred in 2017-18.

[2] Data sourced from RoGS, Table 18A.3

[3] Data sourced from RoGS, Table 18A.2

[4] Data sourced from Authority, raw RoGS data.

Largely attributed to the transfer of dwelling to CHPs, the number of households managed by SA Housing Authority also declined (by 14.7%) from 30 June 2016-17 to 30 June 2020-21, largely the result of the transfer of dwellings to CHPs, refer to Table 1-2.

Table 1-2: Number of Households Managed by State Housing Authorities

As of 30 June	2016-17[1]	2017-18	2018-19	2019-20	2020-21[4]
Public Housing[2]	35,232	31,062	30,928	30,501	30,144
SOMIH[2]	1,635	1,372	1,336	1,304	1,295
Total	**36,867**	**32,434**	**32,264**	**31,805**	**31,439**
YOY Change	-	-4,433	-170	-459	-366

Note:

[1] Outside Triennial Review window, transfer of significant number of properties occurred in 2017-18.

[2] Data sourced from RoGS, Table 18A.4

Noting the number of households residing in Public and SOMIH housing over the Triennial Review window, the following sections summarise the trends observed over this time period.

1.1 Public Housing

Throughout the 2020-21 financial year, SA Housing Authority housed approximately 33,000 tenancies in Public Housing. The characteristics of these tenancies are summarised in the dashboard presented in Figure 1-1 and below.

While there appears to be a reduction in the number of head tenants in public housing typically (largely associated with transfer of stock to community housing in 2017-18 and to a lesser extent in 2020-21), the following key themes with regards to the changing profile of the average Public Housing tenant were observed:

- **Ageing, Vulnerable Population**: Head tenants aged over 60 represent the largest proportion of Public Housing customers. The population appears to be increasing in vulnerability, evidenced through:

  - **Disability Status**: A significant proportion (43.9%) of households in Public Housing reported having a tenant experiencing a disability. This proportion was seen to increase over the Triennial Review period (an increase of 1.9%).

  - **Reliance on Commonwealth Support**: There is a high proportion of tenants in Public Housing receiving Commonwealth supports linked to limited expected future income from the labour market. This includes 35% of households with a known Disability Support Pension recipient and 28% of households with a known Aged Pension recipient in FY 2020-21.

  - **Extended Tenancy Length**: As a proportion, 23% of all existing head tenants have resided in Public Housing for over 20 years, an increase of 1.5% from FY 2017-18 to FY 2020-21. It is noted that the limited ability for current customers to gain potential future income through the labour market could be one contributing factor to customers remaining in Public Housing for extended lengths of time.

- **Increasing Profile of Single Households**: Single households represent the overwhelming majority of households residing in Public Housing, attributing to 80.9% as at 30 June 2021. This trend appears to be largely consistent over the review period.

- **Waitlist to Allocations**: Allocations attributed to homeless tenants in PH increased over the Triennial Review window from 59% in FY 2017-18 to 75% in FY 2020-21. This significant proportion of demonstrates alignment with the identification of homeless customers as a priority cohort within the NHHA.

It is noted that the above observations are consistent with the changing profile of the average social housing tenant identified in the *2018 South Australian Housing Trust Triennial Review* (PwC, 2018).

While the above observations have been made with regards to the characteristics of tenancies within PH, it is important to consider data of the broader social housing system (refer Report) in order to holistically ascertain trends. This is of particular importance noting the transfer of property and tenancy management of 4,270 properties to community housing over the Triennial Review window.

Figure 1-1: Characteristics of PH Households throughout FY 2020-21

1.1.1 Head Tenant Age Distribution

While there was typically a reduction in the total number of head tenants, as a proportion, there has been a notable increase of in the percentage of head tenants aged 60 or over (by 1.9%), refer Figure 1-2.
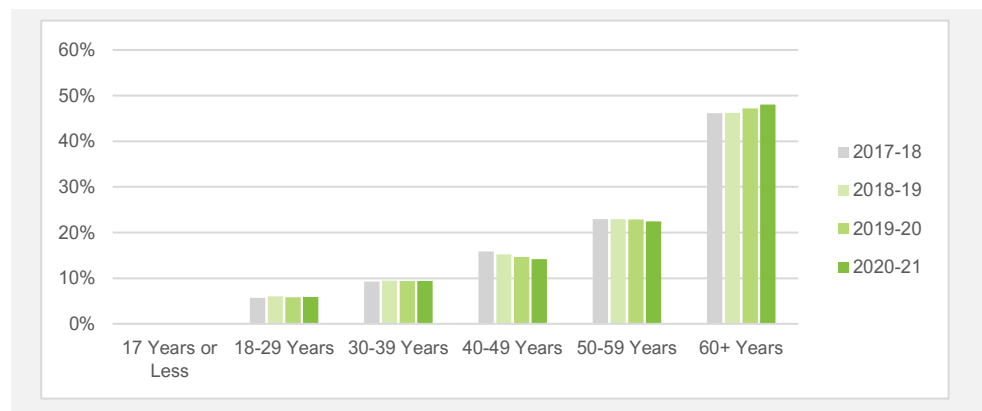

Figure 1-2: Head Tenant Age Distribution in PH

1.1.2 Household Composition

As observed in the previous Triennial Review, the household composition residing in Public Housing has seen a significant shift from traditionally supporting families, to supporting single or single parent households. This trend appears to be consistent with the current review period. As of 30 June 2021, single adult or single parent households attributed to 80.9% of all Public Housing households.
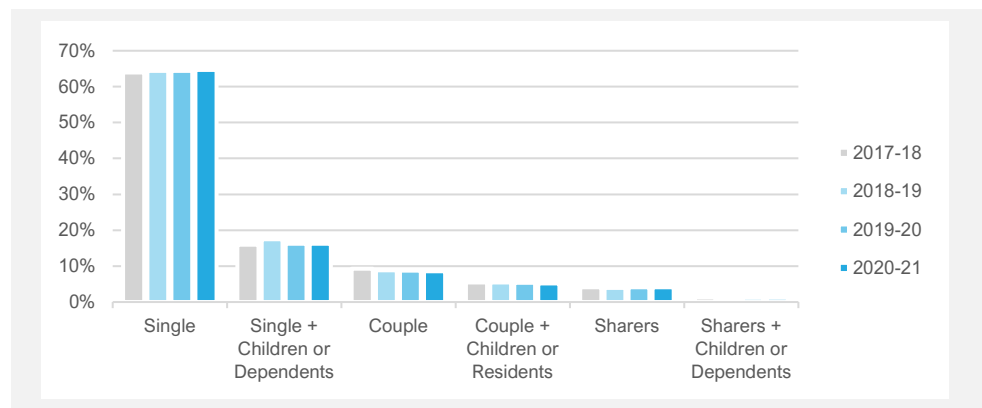
Figure 1-3: Household Composition in PH

1.1.3 Income Source

Figure 1-4 presents a summary of income records for all persons in households at 30 June of the respective financial year. It is noted that this data may contain multiple income records for persons with multiple income sources.

Noting the above qualifications, there appears to be a continual reliance on Commonwealth support for Public Housing tenants. The Disability Support Pension and Age Pension appear to be the most common source of Commonwealth support received by tenants over the Triennial Review window. The proportion of households with a known Disability Support Pension recipient has largely remained constant over the review period at approximately 35%. Similarly, the proportion of households with a known Age Pension recipient has also remained relatively constant at approximately 28%. The proportion of households with a known Jobseeker payment (formerly Newstarter allowance) increased from approximately 17% in FY 2017-18 to 20% in FY 2020-21.

Receipt of the Disability Support Pension and Age Pension are important Commonwealth supports of note as they can be linked to limited expected future income from the labour market (Leishman & Baker, 2019). This reflects that Public Housing is providing support to a high proportion of households who will have lower capacities to earn income and build assets in the future (Leishman & Baker, 2019).
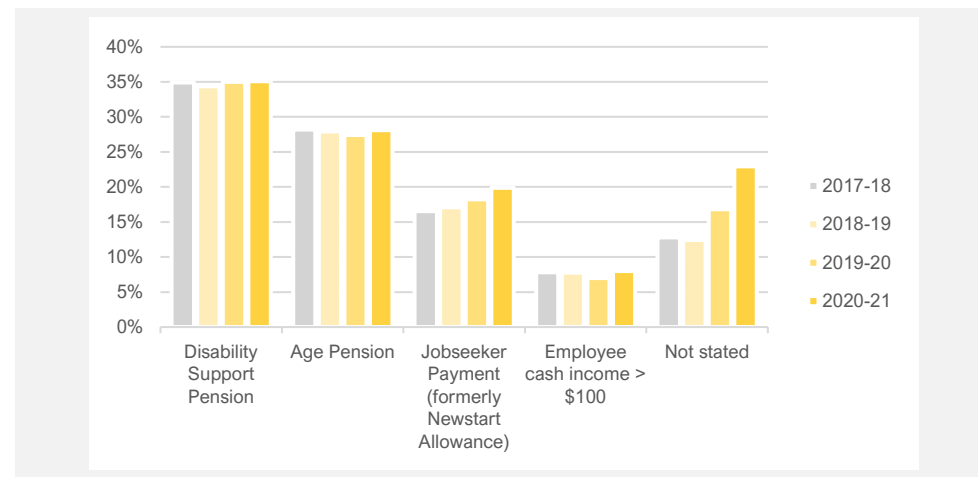
Figure 1-4: Common Household Income Source Types in PH

Further to the commentary above, it is acknowledged that in approximately 23% of households in PH, records for at least one tenant do not indicate the tenant's income source. This trend appears to have increased over the Triennial Review window.

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1.1.4 Tenancy Length

Figure 1-5 presents a point in time summary of the tenancy length of the current tenant cohort to 30 June 2021. It is noted that the proportion of tenants who have resided in Public Housing for more than 20 years has increased by 1.5% from FY 2017-18 to FY 2020-21. This demonstrates that tenants are residing in Public Housing for extended periods of time rather than progressing through the housing continuum. This could be largely attributed to the vulnerability status of the existing customer cohort, and their limited ability to earn income and build assets in the future as discussed in the previous section. As a whole, tenants residing in Public Housing for greater than 10 years accounts for almost half (47%) of all tenancies.
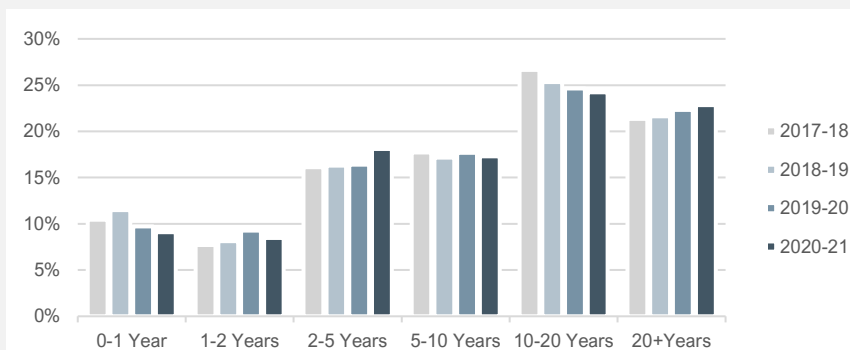
Figure 1-5: Tenancy Length in PH

1.1.5 Head Tenants, by Gender

The Triennial Review period saw a reduction in the number of head tenants residing in Public Housing, of approximately 1,680. Despite this, the proportion of head tenants by gender remained relatively stable, with female head tenants representing the primary population, attributing for 57.7% of all head tenants over FY 2020-21.
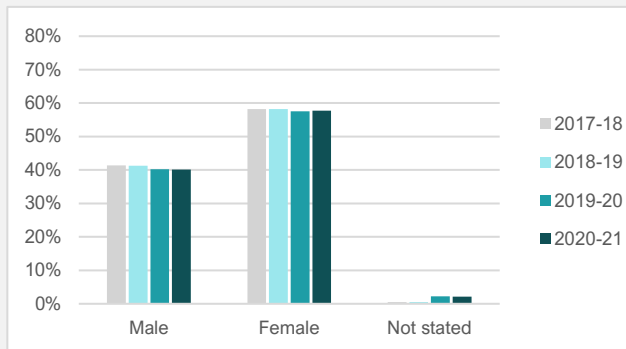
Figure 1-6: Head Tenants in PH, by Gender

1.1.6 Indigenous Households

Between FY 2017-18 and FY 2020-21, the proportion of active Public Housing households (as at 30 June) reported as having an Indigenous tenant increased marginally from 7.1% to 8.9%. As a percentage of the total number of household records in PH, this represented a 1.8% increase or a year on year growth rate of approximately 7.8%.
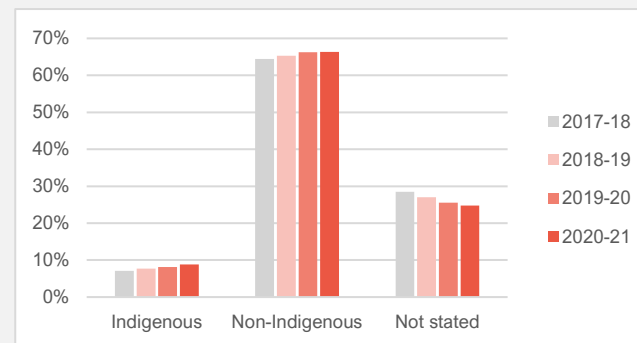
Figure 1-7: Proportion of Indigenous Households in PH

1.1.7 Households with a Tenant Experiencing a Disability

43.9% of all households in Public Housing reported having a tenant with a disability as of 30 June 2021. While the total number of households reported having a tenant experiencing a disability in PH has remained relatively constant between 2017-18 to 2020-21, as a proportion of the total households in PH, the percentage of all households reported as having a tenant experiencing a disability increased by 1.9% This represents an annual year on year growth rate on percentage of approximately 1.5%.
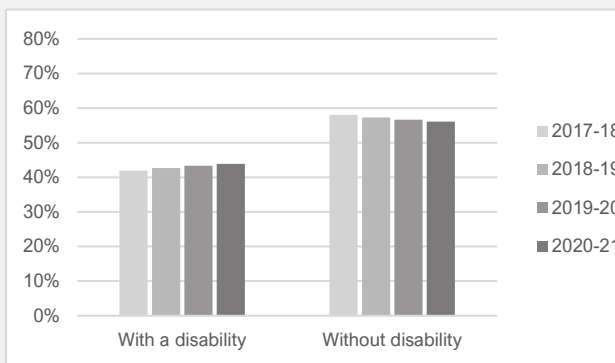

Figure 1-8: Proportion of Households in PH with a Tenant Experiencing a Disability

1.2 State Owned and Managed Indigenous Housing

Throughout the 2020-21 financial year, SA Housing Authority housed approximately 1,400 tenancies in State Owned and Managed Indigenous Housing. The characteristics of these tenancies are summarised in the dashboard presented in Figure 1-9 and below.

While there appears to be a reduction in the number of head tenants in SOMIH typically (largely associated with transfer of stock to community housing in 2017-18 and to a lesser extent in 2020-21), the following key themes with regards to the changing profile of the average SOMIH tenant were observed:

- **Ageing, Vulnerable Population**: Over the Triennial Review window, there appeared to be a notable increase in the percentage of head tenants aged over 50 (by 3.8%), accounting for 53.2% of all head tenants in FY 2020-21.

  - **Reliance on Commonwealth Support**: The Newstart allowance, Disability Support Pension and Age Pension appear to be the most common source of Commonwealth support received by tenants over the Triennial Review window. Receipt of the Disability Support Pension and Age Pension can be linked to limited expected future income from the labour market. The proportion of households with a known Disability Support Pension recipient has largely remained constant over the review period at approximately 23%. Similarly, the proportion of households with a known Age Pension recipient has increased marginally over the review window (1%), accounting for approximately 12%.

  - **Extended Tenancy Length**: As a proportion, 17% of all existing head tenants have resided in SOMIH for over 20 years, an increase of 2.3% from FY 2017-18 to FY 2020-21. It is noted that the limited ability for current customers to gain potential future income through the labour market could be one contributing factor to customers remaining in SOMIH for extended lengths of time.

- **Increasing Profile of Single Households**: In a similar manner to PH, single as at 30 June 2021 households represent the overwhelming majority of households residing in SOMIH, attributing to 73.3%.

- **Waitlist to Allocations**: Allocations attributed to homeless tenants in SOMIH increased over the Triennial Review window from 43% in FY 2017-18 to 83% in FY 2020-21. This significant proportion of demonstrates alignment with the identification of homeless customers as a priority cohort within the NHHA.

While the above observations have been made with regards to the characteristics of tenancies within SOMIH, it is important to consider data of the broader social housing system (refer Report) in order to holistically ascertain trends. This is of particular importance noting the transfer of property and tenancy management of 4,270 properties to community housing over the Triennial Review window.

Figure 1-9: Characteristics of SOMIH Households throughout FY 2020-21

1.2.1   Head Tenant Age Distribution

While there was typically a reduction in the total number of head tenants, as a proportion, there has been a notable increase in the percentage of head tenants aged over 50 (by 3.8%), refer Figure 1-10.
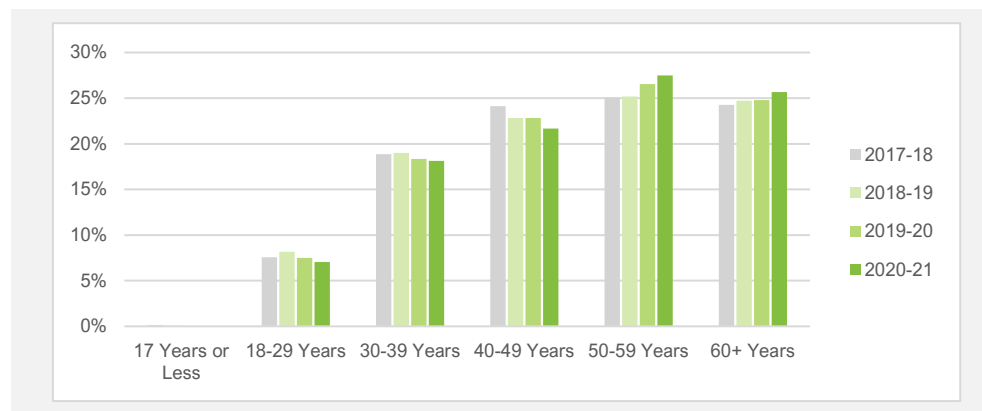

Figure 1-10: Head Tenant Age Distribution in SOMIH

1.2.2   Household Composition

The household composition residing in SOMIH follows a similar trend to that seen in PH where the predominant household composition appears to be single or single parent households. As of 30 June 2021, single adult or single parent households attributed to 73.3% of all households in SOMIH.
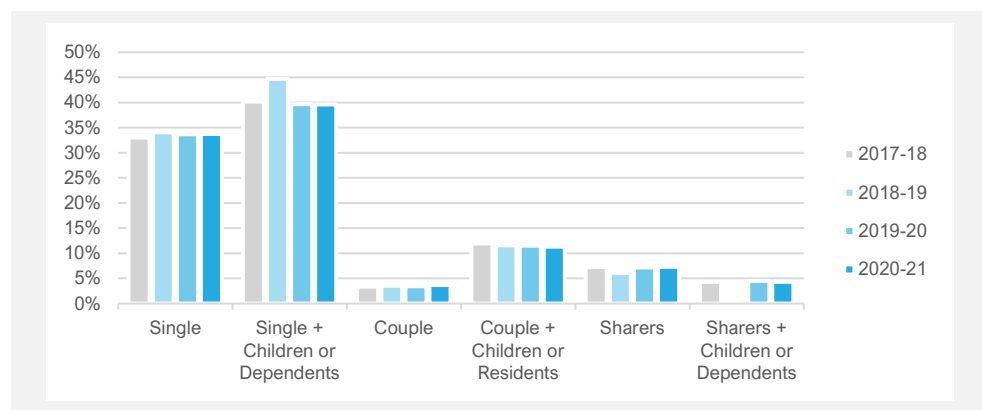
Figure 1-11: Household Composition in SOMIH

1.2.3   Income Source

Figure 1-12 presents a summary of income records for all persons in SOMIH households at 30 June of the respective financial year. It is noted that this data may contain multiple income records for persons with multiple income sources.

Noting the above qualifications, there appears to be a continual reliance on Commonwealth support for SOMIH tenants. The Newstart allowance, Disability Support Pension and Age Pension appear to be the most common source of Commonwealth support received by tenants over the Triennial Review window. The proportion of households with a known Disability Support Pension recipient has largely remained constant over the review period at approximately 23%. Similarly, the proportion of households with a known Age Pension recipient has increased marginally over the review window (1%), accounting for approximately 12%.

Receipt of the Disability Support Pension and Age Pension are important Commonwealth supports of note as they can be linked to limited expected future income from the labour market (Leishman & Baker, 2019). This reflects that Public Housing is providing support to a high proportion of households who will have lower capacities to earn income and build assets in the future (Leishman & Baker, 2019). '
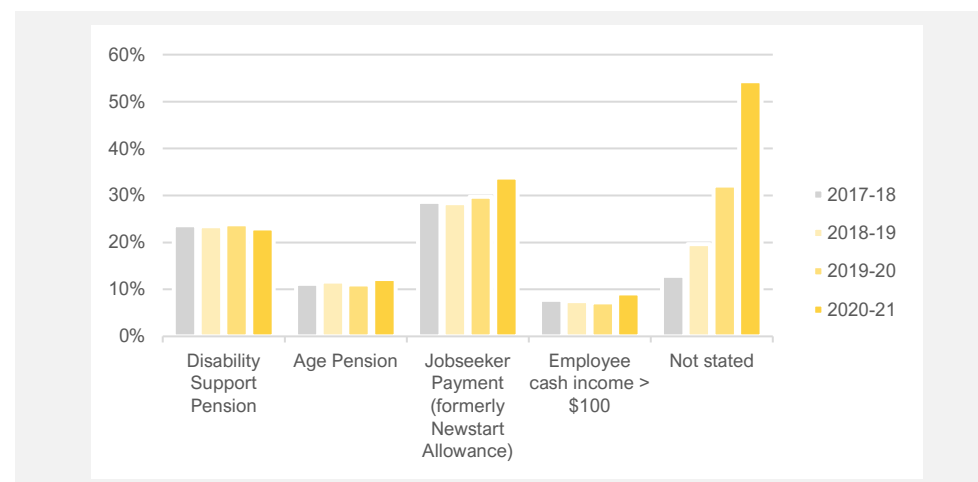

Figure 1-12: Common Household Income Source Types in SOMIH

Further to the commentary above, it is acknowledged that in over 50% of households in SOMIH, records for at least one tenant do not indicate the tenant's income source. This trend appears to have increased over the Triennial Review window.

1.2.4 Tenancy Length

Figure 1-13 presents a point in time summary of the tenancy length of the current tenant cohort to 30 June 2021. It is noted that the proportion of tenants who have resided in SOMIH for more than 20 years has increased by 2.3% from FY 2017-18 to FY 2020-21. This demonstrates that tenants are residing in SOMIH for extended periods of time rather than progressing through the housing continuum. This could be largely attributed to the vulnerability status of the existing customer cohort, and their limited ability to earn income and build assets in the future as discussed in the previous section. As a whole, tenants residing in SOMIH for greater than 10 years accounts for almost half (41%) of all tenancies.
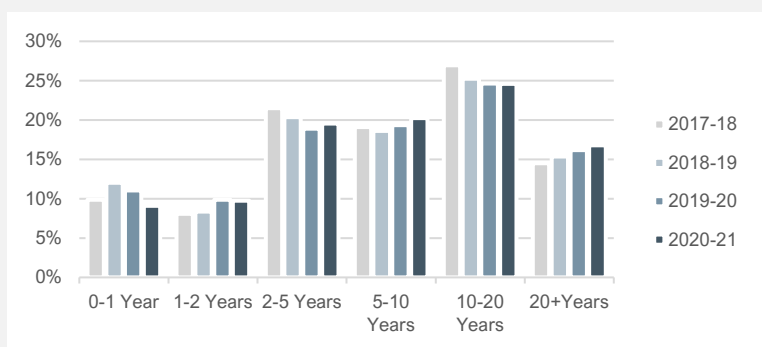
Figure 1-13: Tenancy Length in SOMIH

1.2.5 Head Tenants, by Gender

The proportion of head tenants by gender remained relatively stable over the Triennial Review period, with female head tenants representing the primary population, attributing for 73.9% of all head tenants over FY 2020-21. It is acknowledged that this reflects a greater proportion than in PH.
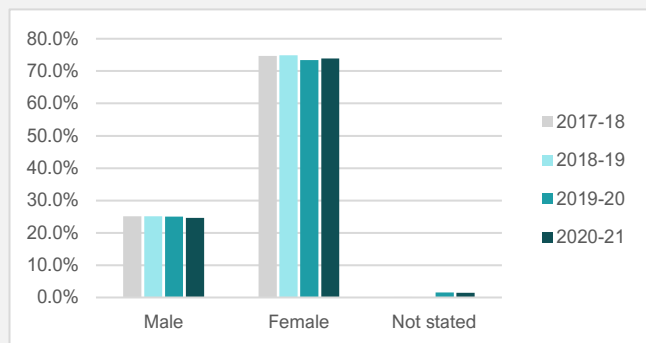
Figure 1-14: Head Tenants in SOMIH, by Gender

1.2.6 Indigenous Households

All households within SOMIH have an indigenous tenant. As such, no time analysis has been completed with respect to the proportion of Indigenous households. However, it is acknowledged that there has been a general reduction in the number of Indigenous households in SOMIH, largely the result of the CHP transfers over the Triennial Review window.
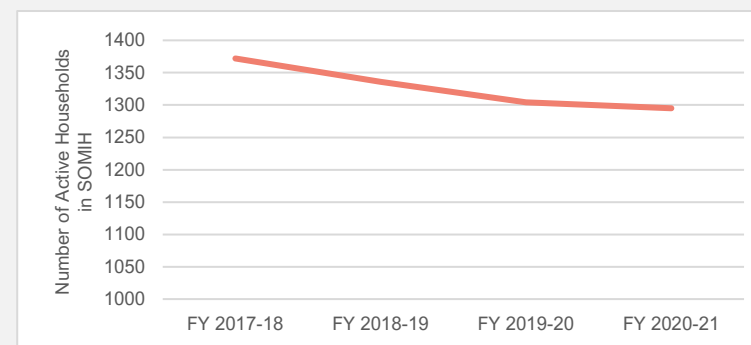

Figure 1-15: Indigenous Households in SOMIH

1.2.7 Households with a Tenant Experiencing a Disability

27.2% of all households in SOMIH reported having a tenant with a disability as of 30 June 2021, which is lower than that reported in PH. As a proportion of the total households in SOMIH, the percentage of all households reported as having a tenant experiencing a disability increased by 2.0% over the review window This represents an annual year on year growth rate on percentage of approximately 2.6%.
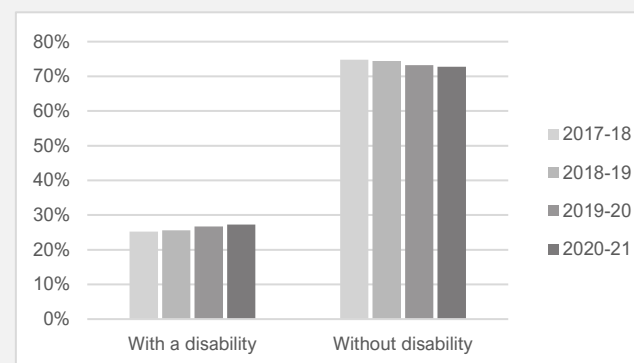

Figure 1-16: Proportion of Households in SOMIH with a Tenant Experiencing a Disability

APPENDICES

1.3 Waitlist to Allocation Conversion

Previously, eligible vulnerable and low-income households were required to register for public and community housing through separate registers. Effective 1 March 2021, SA Housing Authority established a new, single housing register for South Australians consolidating the two previous registers, embedding the principle of 'no wrong door' for customers and supporting more efficient customer service. As the Triennial Review spans 2017-18 to 2020-21, the analysis of the social housing waitlist below considers application data from the separate registers however it is acknowledged that the waitlist for social housing will be considered holistically in future years to come.

1.3.1 Total Registrants within Social Housing System

Figure 1-17 presents a summary of the total registrants for social housing in consideration of the total number of dwellings and number of households on the respective waitlists, as published in RoGS as at 30 June of the specified year. While it is acknowledged that the number of registrants on the waitlist is overrepresented within RoGS data as a significant proportion of households register for both public/SOMH and community housing, the total number of registrants (including duplication) appears to have remained relatively constant from 30 June 2018 to 30 June 2020 at approximately 80,000. As at 8 March 2022, it is understood that approximately 82% of registrants on the community housing register were also on the public and SOMIH register.
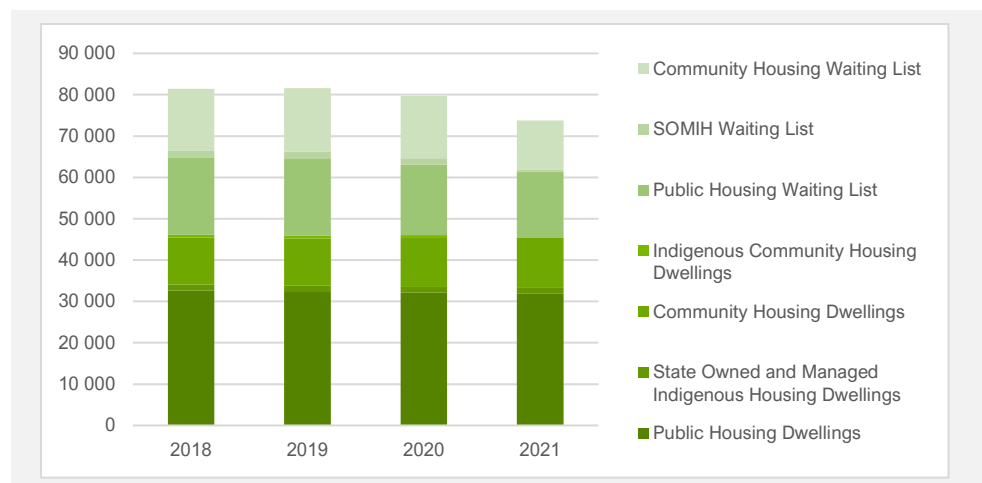

Figure 1-17: Total Demand within Social Housing as of June 30 of Specified Year

It is acknowledged that there is a notable decrease in the total demand between 30 June 2020 and 30 June 2021, largely attributed to a decline in the number of registrants on the public/SOMIH waitlist and community housing waitlist.

It is understood that the decline in total registrants on the public/SOMIH waitlist is likely the result of policy and system changes since the implementation of Connect in April 2020. This includes the annual review

of registrants on the register to ensure that the household's need has not changed. If the SA Housing Authority is unable to contact registrants, the application is deferred and no longer active. Similarly, if no review has been undertaken within 12 months, Connect will automatically change a record's status to no longer active. Despite the reduction in total number of registrants on the public/SOMIH waitlist, it is recognised that the number registrants presenting a greatest need has risen.

The material decline in number of registrants on the Community Housing waitlist is understood to be the result of data cleaning prior to the migration of records into Connect in February 2021, to facilitate the single housing register.

Limitations of the RoGS data include:

- The data is a point in time capture as of June 30 of the specified years.

- The data does not consider demand for social housing beyond registrants.

- The data does not provide customer characteristic breakdowns, such as age and household composition, into the allocations made each year.

1.3.2 Age Profile

Figure 1-18 illustrates the age profile of head tenants in dwellings, proportion of head tenants on the waitlist, proportion of the waitlist allocated a dwelling and proportion of waitlist with a disability in FY 2020-21 within public and SOMIH.

The data shows that head tenants aged over 60 years account for the majority (47%) of the head tenant profile. In contrast, the age distribution of the most recent waitlist and allocations (FY 2020-21) varies considerably from this existing tenant base, with those aged between 18-29 years accounting for the largest proportion within the waitlist.

It is noted that majority of registrants on the waitlist (58.3%) were applying for assistance as a single with no others. A further 14.1% applied as a single with one other person, encompassing sharers and single clients with one child or dependent, but excluding couple applicants.

In total, 89% of the applicants on the waitlist identified as single, demonstrating a clear majority of single applicants attempting to enter the public system as opposed to couples

As a percentage of the waitlist, allocations were granted at the highest rate for those over the age of 60. Those between the age of 50 – 59 were the only other age cohort where the percentage of allocations exceeded the proportion on the waitlist.

These factors highlight the older age profile of Public and SOMIH tenants and demonstrates the higher rate at which older people are converted from the waitlist into dwellings within this program.

APPENDICES
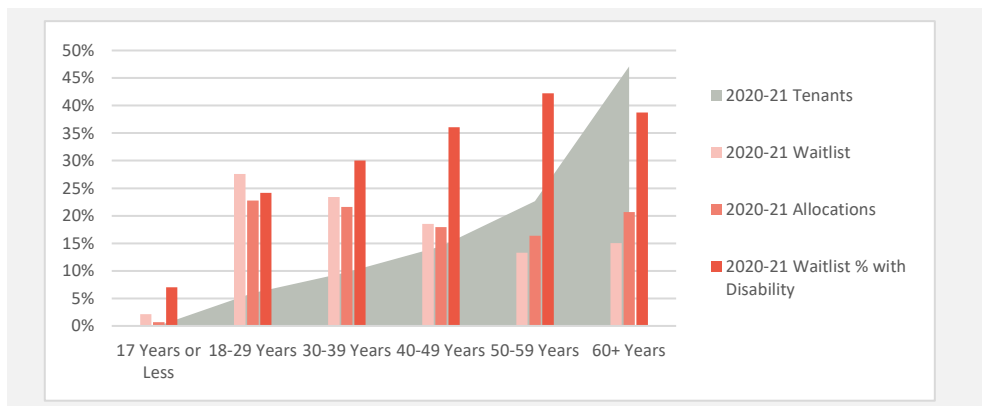
Figure 1-18: Public and SOMIH Tenant Age Profile vs Allocations Age Profile and Current Housing Register (Head Tenant %)
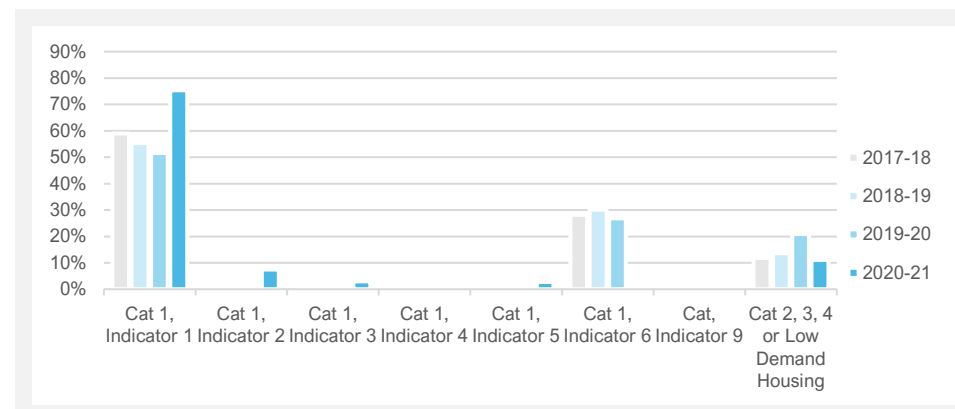
1.3.3 Greatest Need

As defined by SA Housing Authority, registrations for public and SOMIH are prioritised and placed in a category based on the registrant's need for housing and the urgency of their situation. Five categories have been established, namely Category 1, Category 2, Category 3, Category 4 and low demand housing as defined below:

- Category 1: Registrants with urgent housing needs and long-term barriers to accessing or maintaining private housing. A category 1 registrant is reported as having the greatest need and must meet all the below conditions:

  - The registrant is homeless and at risk.

  - The accommodation history and housing options available to the registrant indicate private housing is unsuitable in the long term.

- Category 2: Registrants who aren't in urgent housing need but have long term barriers to accessing or maintaining private housing options. A category 2 registrant is not reported as having the greatest need although is deemed a category 2 registrant if:

  - The accommodation history and housing options available to the registrant indicate private housing is unsuitable in the long term.

  - The registrant, their partner, or a child in the registrant's or their partner's legal custody or guardianship either receives the disability support pension, the totally and permanently incapacitated pension or are an eligible refugee living in Australia for less than 2 years.

- Category 3: Registrants who are eligible for public or Aboriginal housing but do not have an urgent housing need or long term barrier to other housing options. A category 3 registrant is not reported as having the greatest need.

- Category 4: Current tenants who register for a transfer are registered for Category 4 if they haven't been approved for Category 1 or 2.

- Low demand housing: Low demand housing is any property that cannot be allocated to registrants in other categories because of a lack of demand. Registrants can register for low demand housing if they don't meet the income and asset limits but meet all other eligibility criteria and haven't been approved for Category 1 or 2 (Government of South Australia, 2021).

Of the new household allocations in public housing in FY 2020-21, it was noted that 89% of allocations were defined as Category 1 (i.e. presented a greatest need). Of these households, the most common greatest need indicator was Indicator 1 – Homeless, attributing to 77% of allocations. Other indicators of note are presented in Figure 1-19 and are noted below.

- Indicator 1: Homeless.

- Indicator 2: Life or safety at risk in accommodation.

- Indicator 3: Health condition aggravated by housing.

- Indicator 4: Housing inappropriate to needs.

- Indicator 5: Very high housing costs.

- Indicator 6: Other.

- Indicator 9: Not stated/inadequately described.

Figure 1-19: 2020-21 PH Household Allocations by Greatest Need

With respect to SOMIH, 94% of new household allocations in FY 2020-21 were defined as Category 1 (i.e. presented a greatest need). Of these households, the most common greatest need indicator was Indicator 1 – Homeless, attributing to 83% of allocations, refer to Figure 1-20.
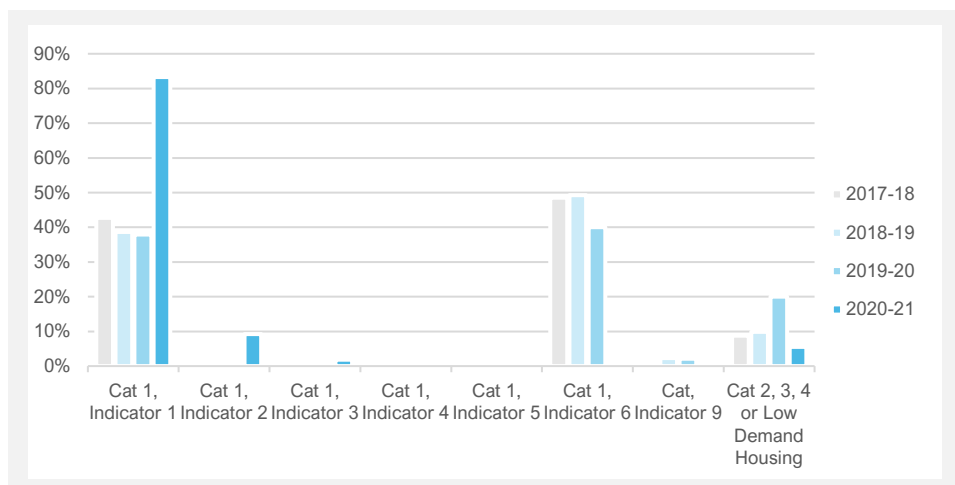
Figure 1-20: SOMIH Household Allocations by Greatest Need

Also important to note is that amongst homeless cohorts, the following priority cohorts have been defined within the NHHA (Australian Government, Department of Social Services, 2022):

- Women and children affected by family and domestic violence.
- Children and young people.
- Indigenous Australians.
- People experiencing repeat homelessness.
- People exiting from care or institutions into homelessness.
- Older people.

The AIHW also articulates the following priority cohorts with respect to housing (AIHW, 2018):

- Children and youth.
- Mothers and babies.
- Rural and remote Australians.
- Indigenous Australians.
- Older people / Veterans.
- Men and women.
- Prisoners.

2   Community and Indigenous Community Housing

Throughout the 2020-21 financial year, Community Housing Providers housed approximately 13,590 tenancies across Community Housing and Indigenous Community Housing. SA Housing Authority is notionally considered the community housing provider in South Australia as it manages the tenancies and maintenance but does not officially "head-lease" the ICH dwellings in which to meet the requirements of Public Housing and SOMIH as per the Australian Productivity Commission.

As of 30 June 2021, there were approximately 13,070 tenancies (when at full capacity) across Community Housing and Indigenous Community Housing, with 95% in Community Housing. This represents an increase in the total number of tenancies managed by Community Housing Providers since the previous Triennial Review by almost 1.6 times (or 59%). It is noted that Community Housing can see a number of tenancy units within a dwelling and hence, the total number of tenancies has been considered in the analysis.

Table 2-1: Number of Social Housing Tenancies (When at Full Capacity) Managed by Community Housing Providers

As of 30 June	2016-17[1]	2017-18	2018-19	2019-20	2020-21
Community Housing[2]	7,484	11,561	11,622	12,151	12,387
Indigenous Community Housing[2]	735	727	697	689	681[3]
Total	**8,219**	**12,288**	**12,319**	**12,840**	**13,068**
YOY Change	-	4,069	31	521	228

Note:
[1] Outside Triennial Review window, transfer of significant number of properties occurred in 2017-18.
[2] Data sourced from RoGS, Table 18A.3
[3] Data sourced from Authority, raw RoGS data.

In accordance with the increasing number of tenancies managed by Community Housing Providers, the total number of tenancies in Community and Indigenous Community Housing increased by 1.75 times or approximately 75%, refer to Table 2-2.

Table 2-2: Number of Tenancies in Community and Indigenous Community Housing

As of 30 June	2016-17[1]	2017-18	2018-19	2019-20	2020-21
Community Housing[2]	7,194	11,171	11,204	11,749	11,927
Indigenous Community Housing[3]	595	610	632	633	632
Total	**7,789**	**11,781**	**11,836**	**12,382**	**12,559**
YOY Change	-	3,992	55	546	177

Note:
[1] Outside Triennial Review window, transfer of significant number of properties occurred in 2017-18.
[2] Data sourced from RoGS, Table 18A.4
[3] Data sourced from Authority, raw RoGS data.

APPENDICES

2.1 Community Housing (Social Housing Context)

The characteristics of Community Housing tenancies are summarised in the dashboard presented in Figure 2-1 and below.

The transfer of stock to community housing over the Triennial Review period has seen an increase in the number of head tenants in Community Housing typically. Noting this change in cohort size, the following key themes with regards to the changing profile of the average Community Housing tenant was observed. It is noted that:

- **Ageing Population**: Head tenants aged over 60 represent the largest proportion of Community Housing customers. Over the Triennial Review window, there has been a small increase of in the percentage of head tenants aged 60 or over (by 0.8%),

- **Increasing Profile of Single Households**: Single or single parent households represent the overwhelming majority of households residing in Community Housing, attributing for 62% of all households in FY 2020-21. This reflects a small increase of 0.8% over the Triennial Review window.

While the above observations have been made with regards to the characteristics of tenancies within Community Housing, it is important to consider data of the broader social housing system in order to holistically ascertain trends. The sections below discuss the changing profile of the Community Housing tenant over the Triennial Review window.

Figure 2-1: Characteristics of CH Households throughout FY 2020-21

2.1.1 Head Tenant Age Distribution

Over the Triennial Review window, there has been a 0.8% increase in head tenants aged 60 or over, refer Figure 2-2. 56.7% of head tenants in Community Housing are aged over 50.
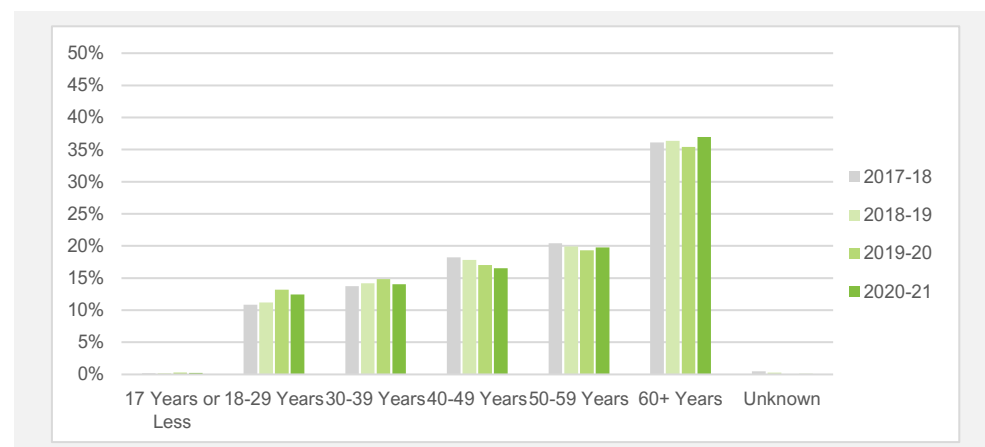

Figure 2-2: Head Tenant Age Distribution in Community Housing

2.1.2 Household Composition

In a similar manner to Public and SOMIH, single households were the most prevalent household composition in Community Housing, attributing to 62% of all households as of 30 June 2021. This represented a marginal increase over the Triennial Review period of 0.8%.
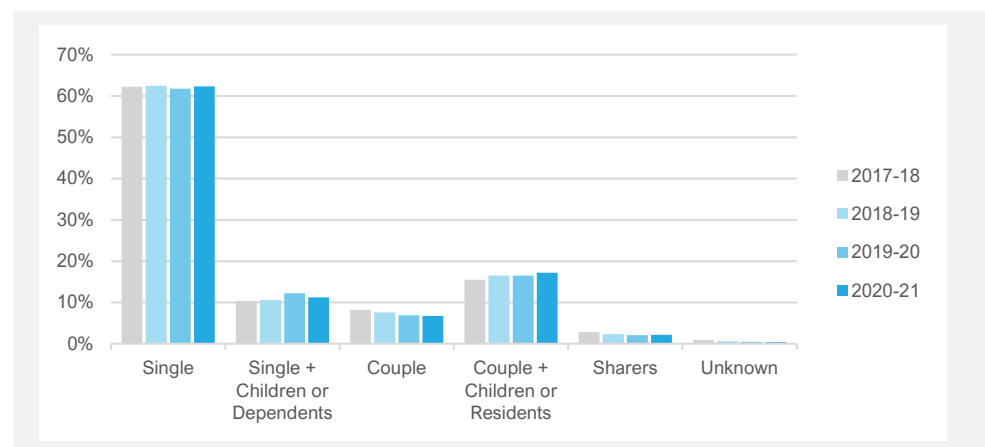
Figure 2-3: Household Composition in Community Housing

2.1.3 Income Source

In a similar manner to Public and SOMIH customers, Community Housing receive Commonwealth supports with Centrelink payments attributing to the primary income source for approximately 74% of households. An assessment on the nature of the Centrelink payments received was unable to be made due to limitations of the data set which does not disclose the type of Centrelink payment a customer has identified as their main source of income.
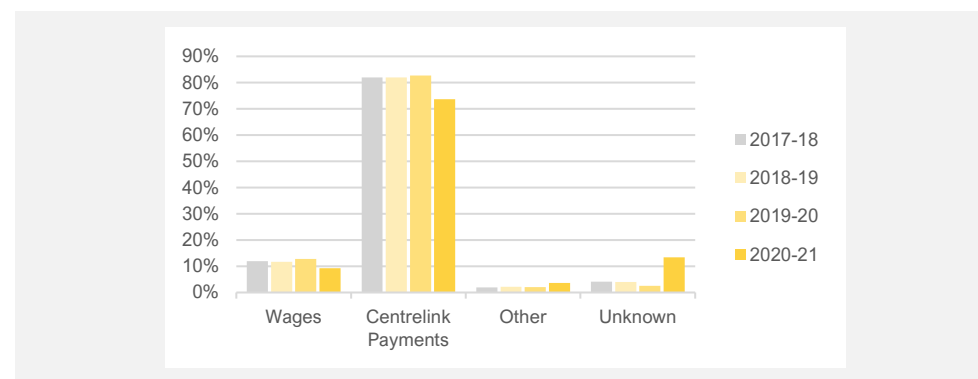

Figure 2-4: Primary Income Source in Community Housing

2.1.4 Tenancy Length

Figure 2-5 presents a point in time summary of the tenancy length of the current tenant cohort to 30 June 2021. Noting the substantial increase in Community Housing available tenancies in 2017-18, a peak increase in the 0-1 year tenure was observed. This peak reflective in subsequent years, reflecting that tenants are remaining in community housing for a number of years.
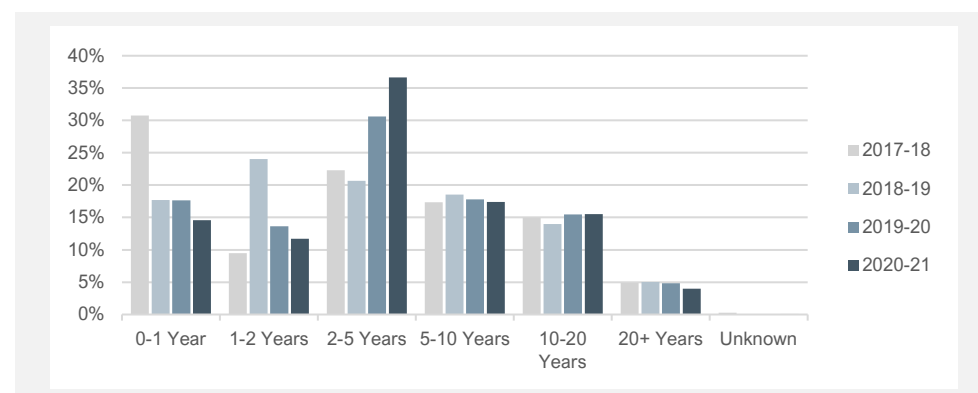

Figure 2-5: Tenancy Length in Community Housing

APPENDICES

2.1.5 Head Tenants, by Gender

The Triennial Review period saw an increase in the number of head tenants residing in Community Housing by just under 1,100 or approximately 9%. Despite this increase, the proportion of head tenants by gender remained relatively stable, with female head tenants representing the primary population, attributing for 62.4% of all head tenants over FY 2020-21, refer Figure 2-6.
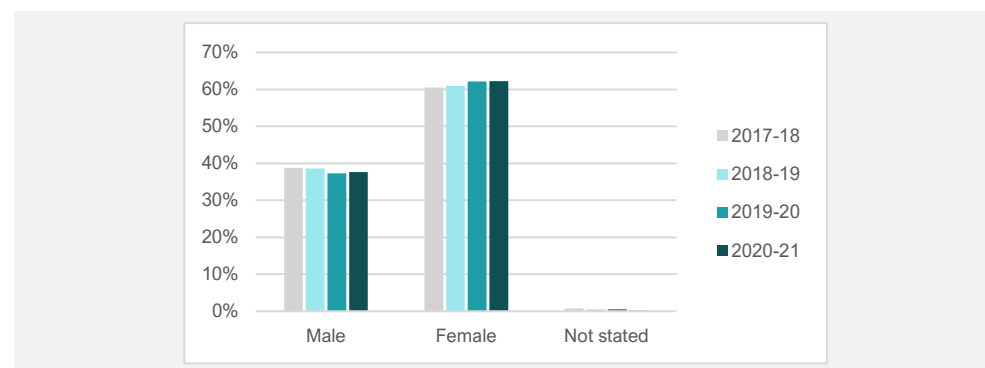

Figure 2-6: Head Tenants in CH, by Gender

2.1.6 Indigenous Households

The total number of active Indigenous households increased by approximately 175 households between 30 June 2017-18 and 30 June 2020-21, where 6.7% of active Community Housing households reported having an Indigenous tenant. As a percentage of the total number of households in Community Housing, this represented a 1.1% increase or a year on year growth rate of approximately 8.6%.
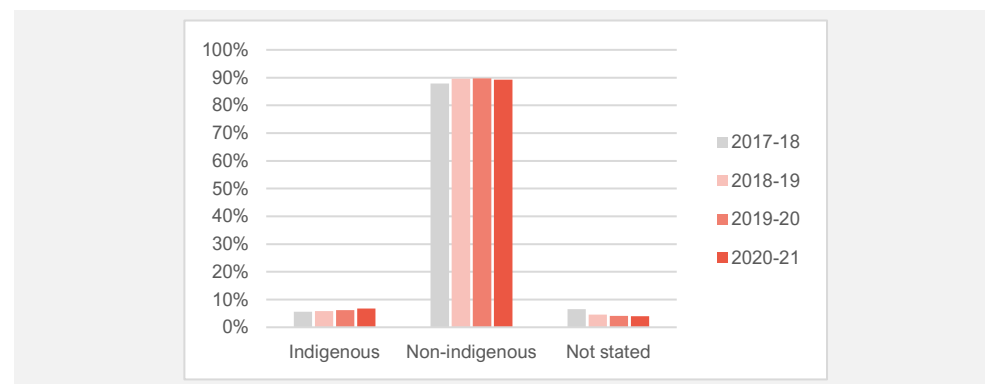

Figure 2-7: Proportion of Indigenous Households in CH

2.1.7 Households with a Tenant Experiencing a Disability

Approximately 29% of all households in Community Housing reported having a tenant with a disability as of 30 June 2021. This represents a lower percentage than that observed in Public and SOMIH which recorded a percentage of 43.2%.
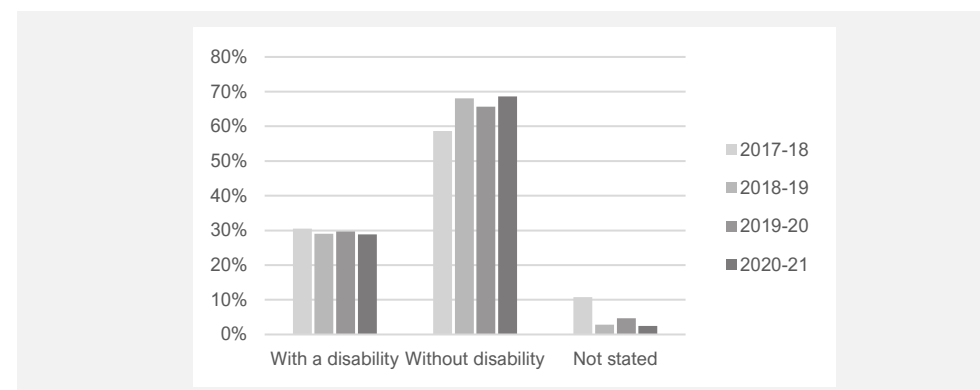

Figure 2-8: Proportion of Households in Community Housing Experiencing a Disability

2.2 Indigenous Community Housing

Due to limitations in data captured as part of the RoGS and AIHW Indigenous Community Housing Data Collection, no detailed tenant analysis has been able to be provided in consideration of households within Indigenous Community Housing.

3 Private Rental Assistance

The Private Rental Assistance Program (PRAP) is a program provided by SA Housing Authority to assist South Australians financially within the private rental market. This program is targeted at customers seeking financial support due to difficulty meeting the upfront costs associated with renting privately and requiring assistance to maintain their accommodation.

Through the 2020-21 financial year, 10,371 applicants were assisted through the PRAP. Figure 4-12 presents a dashboard outlining key characteristics of PRAP applicants who received assistance within this financial year. The following key themes were observed with respect to the changing customer profile in the PRAP from FY 2017-18 to FY 2020-21:

- **Decreasing Assisted Applicants**: Despite no change in policy, a significant decrease in the total number of applicants assisted through the Private Rental Assistance Program was observed over the review period from 16,871 unique applicants in FY 2017-18 to 10,371 unique applicants in FY 2020-21. This represents a reduction from FY 2017-18 figures of approximately 39%.

- **Ageing Profile**: While the total number of applicants appears to have decreased year on year, the proportion of applicants aged over 50 years increased from 16% in FY 2017-18 to 18% in FY 2020-21. While 18-29 year olds represented the majority of applicants in FY 2020-21 (37%), this was a reduction from 42% in FY 2017-18.

- **Increase in Newstart Allowance Income Type**: As a function of all customers receiving private rental assistance, the proportion of customers reporting JobSeeker payment (formerly Newstart Allowance) as the primary source of income increased from 20% in FY 2017-18 to 24% in FY 2020-21.

Separate to the changing customer profile, the following observations were made in consideration of the broader private rental market, as summarised below.

- **Increasing Median Weekly Residential Rental Price**: From 30 June 2017 to 30 June 2021, the median weekly residential rental price in metropolitan Adelaide increased from $320 per week to $370 per week, reflecting an increase of 16%. The median weekly residential rental across the rest of the state increased from $250 to $285 per week, reflecting a 14% increase (Data SA, 2022).

- **Decreasing Vacancy Rates**: Analysis undertaken by SQM Research indicates that residential vacancy rates appear to have declined over the Triennial Review window from 1.8% in June 2017 to 0.6% in June 2021 (SQM Research, 2022). This is lower than the national average of 1.7%.
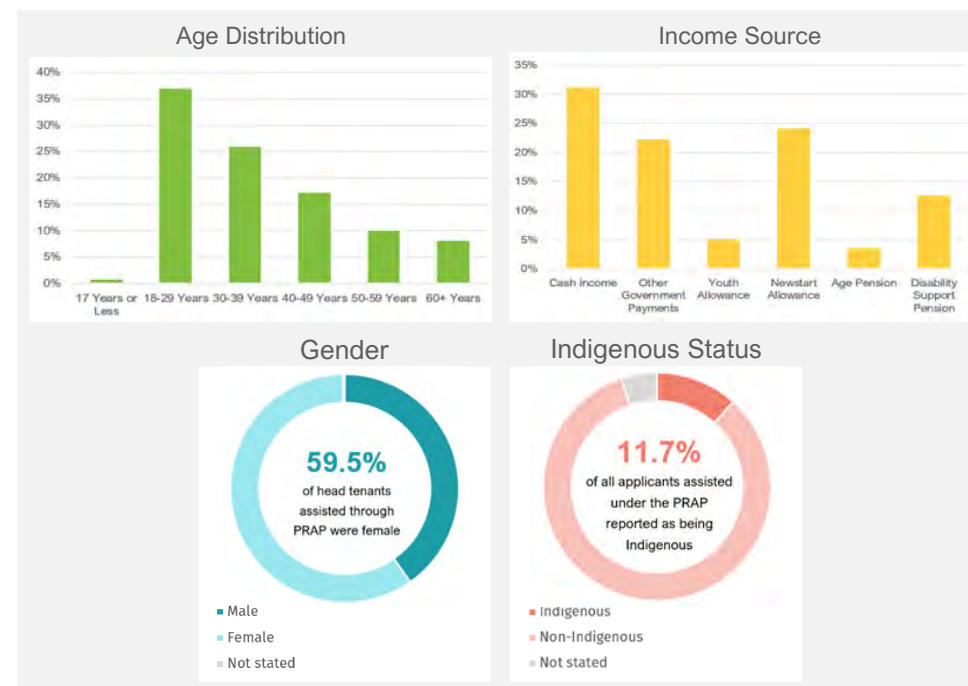

Figure 3-1: Characteristics of PRAP Assisted Applicants Throughout FY 2020-21

3.1 Number of Households and Applicants

A significant trend within the PRAP across the review period is the reduction in the number of applicants receiving assistance. In the review period's first financial year, there were 16,871 assisted customers which decreased to 10,371 by 2020-21.

One likely reason for this decline is increased demand in the private rental market. Demand for Private Rental Assistance is driven by factors outside the control of SA Housing Authority and there has been no change in policy or eligibility over this period. However, it is acknowledged that landlords have more applicants for vacancies and therefore lower income households who require PRA to secure a tenancy are less likely to be offered a tenancy – i.e. perceived higher risk.

In addition, the SA Government introduced several initiatives aimed at assisting landlords and tenants impacted by COVID-19 pandemic since March 2020. This included instituting a moratorium on eviction for non-payment of rent and preventing landlords from increasing rent. It is acknowledged that implementation of such initiatives may have resulted in reduced movement of lower income households to new properties.
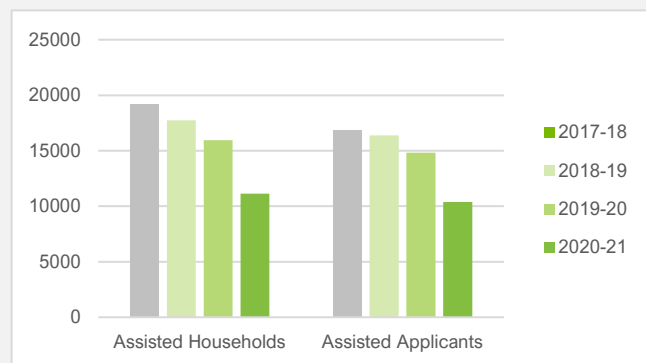

Figure 3-2: Number of PRAP Assisted Households and Applicants

The numbers above consider only the unique households and applicants within the program, noting that a certain applicant or household may receive multiple instances of assistance in a single financial year. As such, it is noted that the discrepancy in households and applicants is due to particular applicants receiving assistance across multiple households within a single financial year. Additionally, it is acknowledged that within FY 2017-18 and FY 2018-19 rental grants provided for emergency hotel/motel type accommodation formed part of the PRAP reporting. Applicants that fall into this category have been discounted from the analysis. The following profiles are based on the unique applicants within the program.

3.2 Applicants, by Gender

In terms of gender, the proportion of female accepted applicants remained as the majority despite a 4.1% proportional decrease across the review period as shown in Figure 3-3.
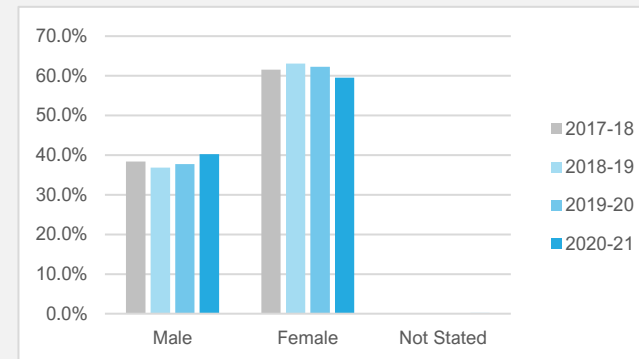

Figure 3-3: Main Applicants Assisted through the PRAP, by Gender

3.3 Age Profile

The figure below presents the age profile for those receiving Private Rental Assistance over the review period. It highlights that the profile of clients receiving this assistance is aging with the proportion within the 18-29 age range decreasing and the over 50-59 and 60+ years groupings showing an increase. This trend is consistent with observations made for this program within the last Triennial Review.
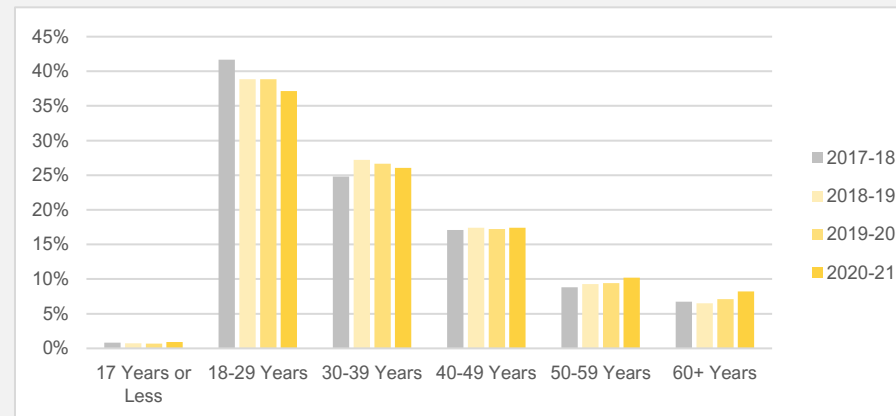

Figure 3-4: Main Applicant Age Distribution, in the PRAP

3.4 Primary Income Type

The three most widely reported primary sources of income included wages, other government payments and the Newstart Allowance, with the two latter options being government or policy assisted income. Across the review period, the proportion of customers reporting age pension as the primary sources of income slightly increased which reflects the aging cohort as demonstrated through the age profile.

It is noted that on the 20 March 2020, the 'Newstart Allowance' was replaced by the JobSeeker payment as the new working age payment. The JobSeeker payment is the main income support payment for customers aged between 22 and the Age Pension age. This income type experienced a steady increase across the first three financial years before a significant rise across 2020-21; this coincides with the COVID-19 affected period. The other income types remained relatively constant.
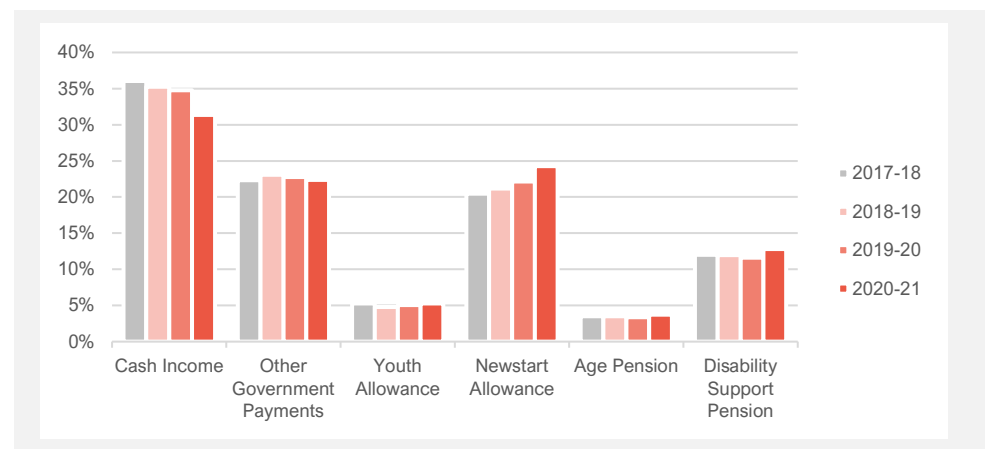

Figure 3-5: Primary Income Type in the PRAP

3.5 Residential Vacancy Rates

Separate to the changing customer profile, the following observations were made in consideration of residential vacancy rates in the private market.

The number of residential rental vacancies in the private rental market appears to have decreased over the Triennial Review window, as indicated in Figure 3-6.
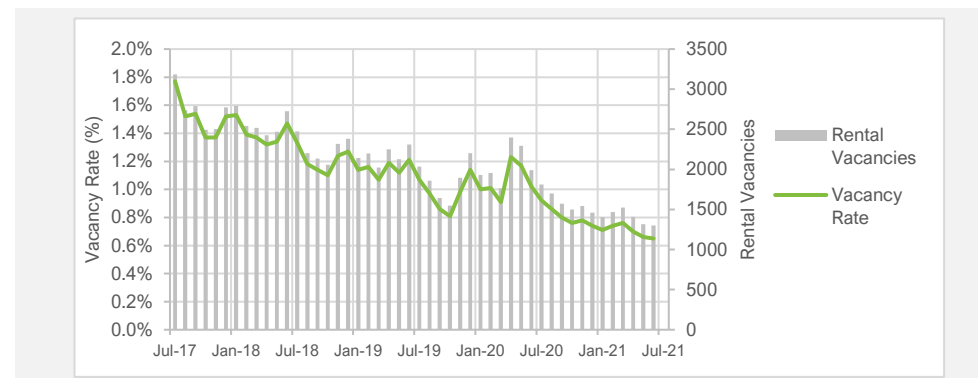

Figure 3-6: Residential Vacancy Rate in Adelaide

Source: (SQM Research, 2022).

Analysis undertaken by SQM Research indicates that residential vacancy rates in Adelaide appear to have declined over the Triennial Review window from 1.8% in June 2017 to 0.6% in June 2021 (SQM Research, 2022). It is acknowledged that this is lower than the June 2021 national capital city average of 1.7%, indicating that the Adelaide rental market is experiencing higher demand than other cities interstate.

3.6 Median Weekly Residential Rental Price

Inverse to the decreasing residential vacancy rate, the median weekly residential rental price appears to have increased over the Triennial Review window, as evidenced by Data SA in Figure 3-7.
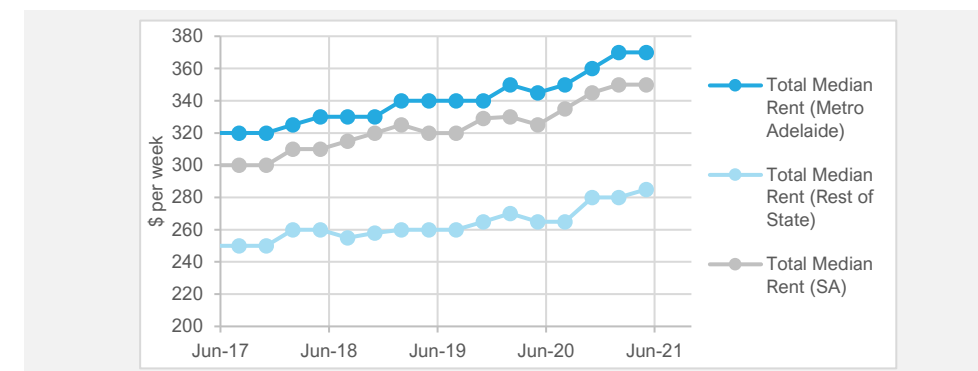

Figure 3-7: Median Weekly Residential Price

Source: (Data SA, 2022)

Over the Triennial Review period, the median weekly residential rental price appears have increased statewide, based on bonds lodged with Consumer and Business Services for private rental properties in South Australia. As illustrated in Figure 3-7, from 30 June 2017 to 30 June 2021, the median weekly residential rental price in metropolitan Adelaide increased from $320 per week to $370 per week, reflecting an increase of 16%. The median weekly residential rental across the rest of the state increased from $250 to $285 per week, reflecting a 14% increase (Data SA, 2022).

4   Homelessness

Across the review period, the number of clients receiving support through Specialist Homelessness Services decreased slightly from 21,402 in FY 2017-18 to 20,573 in FY 2020-21 (Homeless2Home, 2020-21). This decrease is also reflected within the Report on Government Services data within Specialist Homelessness Services Annual Reports similarly showing a downward trend in the number of homeless people or people at risk of becoming homeless in this timeframe (AIHW, 2021). Despite this slight decrease, many client demographics and characteristics of the homeless cohort have remained constant over this time period, including the age profile, agency locations and the agencies used as the entry point into the homelessness system.

Homelessness services make up a significant portion of SA Housing Authority's service offerings. The Homelessness2Home (H2H) system is the primary data collection system for these Specialist Homelessness Services (SHS), providing information for SA Housing Authority to report to the Australian Institute of Health and Wellbeing (AIHW). The system allows agencies to electronically record client circumstances, client assistance provided and outcomes. The Homelessness Alliances are required to use the H2H system for data capture and case management. (Alliance Management Framework).

H2H data provided by SA Housing Authority gives a view of the homeless cohort across the review period. Figure 4-13, provides a summary dashboard of the characteristics of the homeless cohort in FY 2020-21. The following key themes were observed with respect to the changing customer profile receiving homelessness services in South Australia from FY 2017-18 to FY 2020-21:

- **Largely Consistent Cohort Profile**: Cohort profiles, such as age, agency locations and the agencies used as the entry point into the homelessness system have remained largely consistent over the review window within H2H data.

- **Proportion of Repeat Clients Increasing**: Within the homeless cohort, the proportion of customers that reported as multiple, repeat intakes increased year on year from 54% in FY 2017-18 to 60% in FY 2020-21 (Homeless2Home, 2020-21).

- **Length of Support Increasing**: Across the cohort, the length of support required per client also increased. The overall effect of this trend caused the average length of a completed Sector Support Period to rise from 116 days in 2017-18 to 131 days in 2020-21 (Homeless2Home, 2020-21).
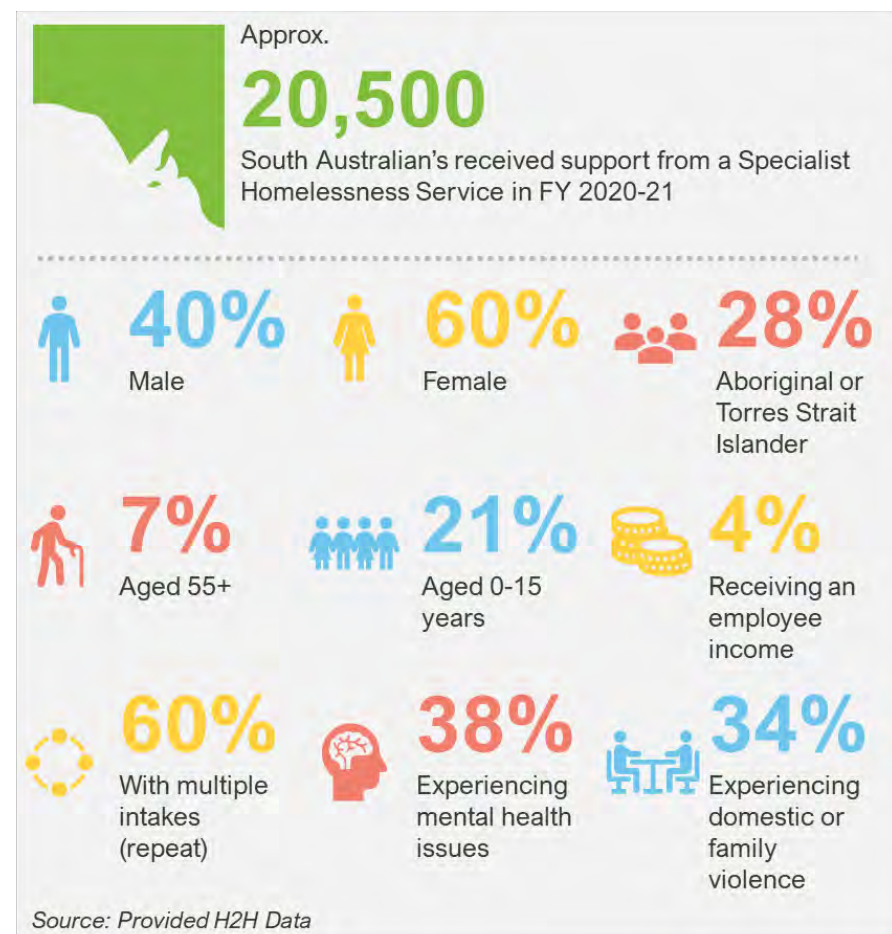

Approx.
20,500
South Australian's received support from a Specialist Homelessness Service in FY 2020-21

40% Male   **60%** Female   **28%** Aboriginal or Torres Strait Islander

7% Aged 55+   **21%** Aged 0-15 years   **4%** Receiving an employee income

60% With multiple intakes (repeat)   **38%** Experiencing mental health issues   **34%** Experiencing domestic or family violence

Source: Provided H2H Data

Figure 4-1: Characteristics of the Homeless Cohort Throughout FY 2020-21

4.1 Overview

Across the review period, the number of clients receiving support through Specialist Homelessness Services decreased slightly from 21,402 in 2017-18 to 20,573 in 2020-21. This decrease is also reflected within the Report on Government Services data within Specialist Homelessness Services Annual reports similarly showing a downward trend in the number of homeless people or people at risk of becoming homeless in this timeframe. Despite this slight decrease, many client demographics and characteristics of the homeless cohort have remained constant over this time period including the age profile, agency locations and the agencies used as the entry point into the homelessness system.

4.2 Age Profile

The age profile of clients remained relatively constant over the review period and is dominated by a younger demographic. The three age brackets with the largest representations encompass 18 to 44-year olds. Cumulatively, these three groupings represent 55% of all clients. In addition, across the 2020-21 financial year, 21% of clients were children (0-15 year olds) and 7% were over 55 years old, again highlighting the prominence of the younger demographic within the homeless cohort.
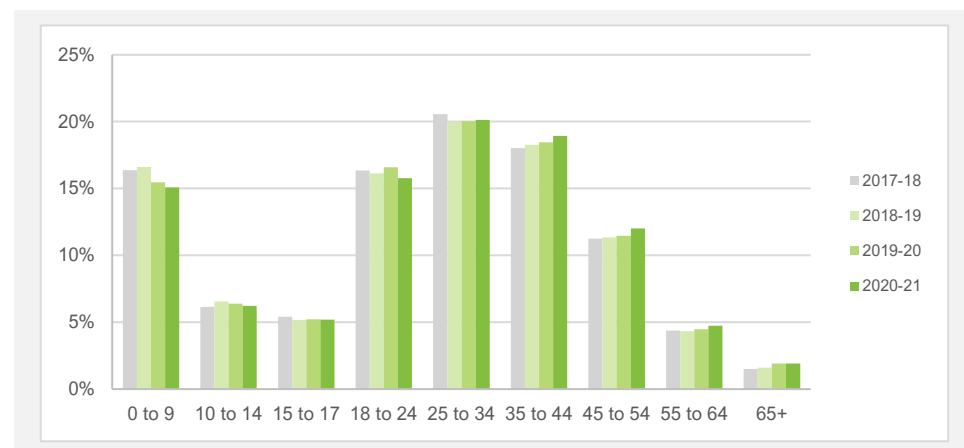

Figure 4-2: Age Distribution of the Homeless Cohort

4.3 Income Source

Figure 4-3 presents a summary of income records for all persons in the homeless cohort as at 30 June of the respective financial year. It is noted that a significant proportion (34%) reported no source of income, although this is acknowledged to include children aged under 15. There appears to be a high reliance on Commonwealth support for the homeless cohort, with receipt of the Newstart allowance reported as the largest income source, growing by 5% over the Triennial Review window. Reliance on other government support remained relatively constant over the Triennial Review window.
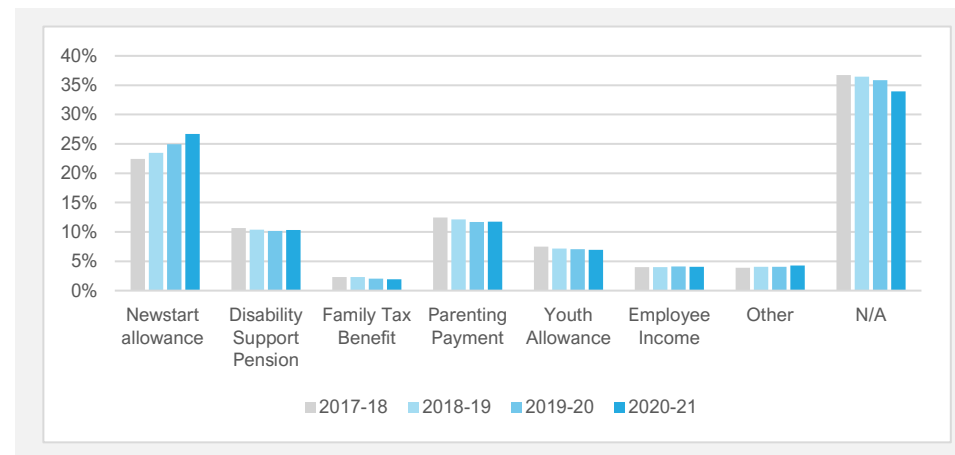

Figure 4-3: Select Income Sources from the Homeless Cohort

4.4 Other Client Characteristics

Whilst the total number of clients serviced decreased, year on year the proportion that were repeat intakes grew across the review period from 54% up to 60% of the total cohort. This trend demonstrates the cycle of homelessness and that it is not being broken for an increasing and significant number of clients. Such trends emphasise the importance of transitional services as the profile of customer trends towards a greater portion of people that have accessed homelessness services previously. The proportion of clients that reported mental health issues within the cohort saw a similar upward trend across the 4-year period, with these two client characteristics as shown in the graph below.
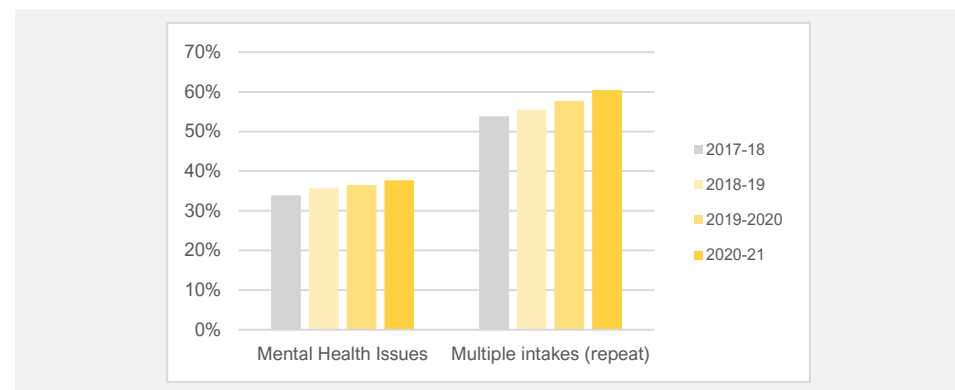

Figure 4-4: Select Client Characteristics from the Homeless Cohort

In addition to this increased proportion of multiple intakes, the length of support for clients is also increasing. As illustrated in the graph below, the smallest support length category (0-7 days) had a decreased proportion of clients across the timeframe and the 8-30 day category showed the largest increase. The other categories either remained constant or showed a slight proportional increase. The overall effect of these trends caused the average length of a completed Sector Support Period to rise from 116 days in 2017-18 to 131 days in 2020-21. As such, homelessness clients are requiring longer support periods more repeatedly.
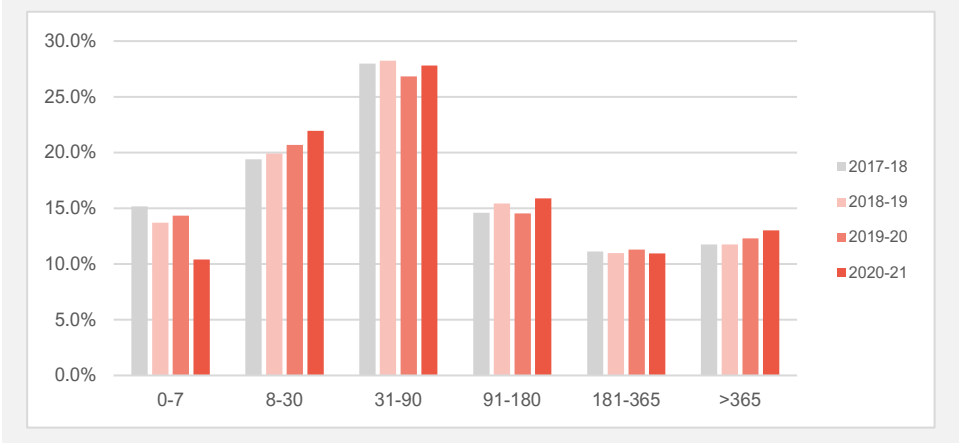

Figure 4-5: Length of Support (Days) for Clients from the Homeless Cohort

Whilst the proportion of Aboriginal and Torres Strait Islander (ATSI) people has remained relatively constant, the difference between this and the proportion of clients entering the specialist homelessness services sector through ATSI agencies has increased. This has resulted in only 3% of clients entering through ATSI Agencies when 27% reported as having ATSI origin in 2020-21. This demonstrates the need for specialised training across all service providers and agencies to be equipped to provide adequate and sensitive care for all clients including Aboriginal and Torres Strait Islander people.

APPENDICES

Appendix F – Reference Group

A Reference Group was established by the SA Housing Authority Project Manager to support the independent review and provide informed feedback throughout its duration.

Aurecon in partnership with Deloitte and the SA Housing Authority Project Manager undertook regular consultation with the Reference Group at key project milestones to provide high-level feedback and challenge findings.

The Reference Group comprised of representatives from the following organisations and represent a diverse range of stakeholders with an interest in housing and homelessness outcomes in South Australia:

- SA Housing Trust (Chair).

- Australian Housing and Urban Research Institute (AHURI).

- Department for Treasury and Finance.

- Department of the Premier and Cabinet.

- SA Housing Authority.

aurecon Deloitte.

Appendix G – Consultations Undertaken

To inform the review, a number of stakeholder consultations were held, structured around a key focus area. Internal consultations held with stakeholders from SA Housing Authority are listed below.

Key Focus Area	Position
Strategy & Governance	Executive Director, Strategy and Governance
	Senior Manager, System Strategy and Analysis
	Director, Business Partnerships
	Head of Aboriginal Housing Strategy
	Senior Manager, Affordable Housing
	Head of Office for Homelessness Sector Integration
	Senior Manager, Office for Homelessness Sector Integration
Operational Performance	Executive Director, Customers and Services
	Director, Customer Service Improvement
	Director, Customer Operations
	Executive Director, Portfolio Planning and Asset Management
Financial Sustainability	Chief Financial Officer
All Focus Areas	Chief Executive Officer
	Chair of SAHT Board

To understand the broader sector view, a number of external stakeholder consultations were held as summarised in the table below.

Key Focus Area	Representative Organisation
SA Housing Authority Aboriginal Advisory Group	CEO, Reconciliation SA
	Commissioner for Aboriginal Engagement
	Commissioner for Aboriginal Children & Young People
	Project Manager, Justice Reinvestment, Australian Red Cross
	Consultant, Coleman Consultants
Referral Pathways	Department for Child Protection
	Department for Correctional Services
	Department for Health and Wellbeing
	Department for Human Services
	Drug and Alcohol Services South Australia
	RentRight SA
	SA Homelessness Alliance
	Housing Connect
	Office of the Public Advocate
	South Australian Police (SAPOL)
Community Housing	Tier 1 Provider | iGeneral Manager SA, Housing Choices
	Tier 1 Provider | CEO, Junction
	Tier 1 Provider | CEO, Unity Housing
	Tier 2 Provider | CEO, Common Equity Housing
	Tier 2 Provider (Disability Focus) | CEO, Your Place Housing
	Tier 2 Provider (Disability Focus) | CEO, Access 2 Place
	Tier 3 Provider | General Manager SA, Housing Choices