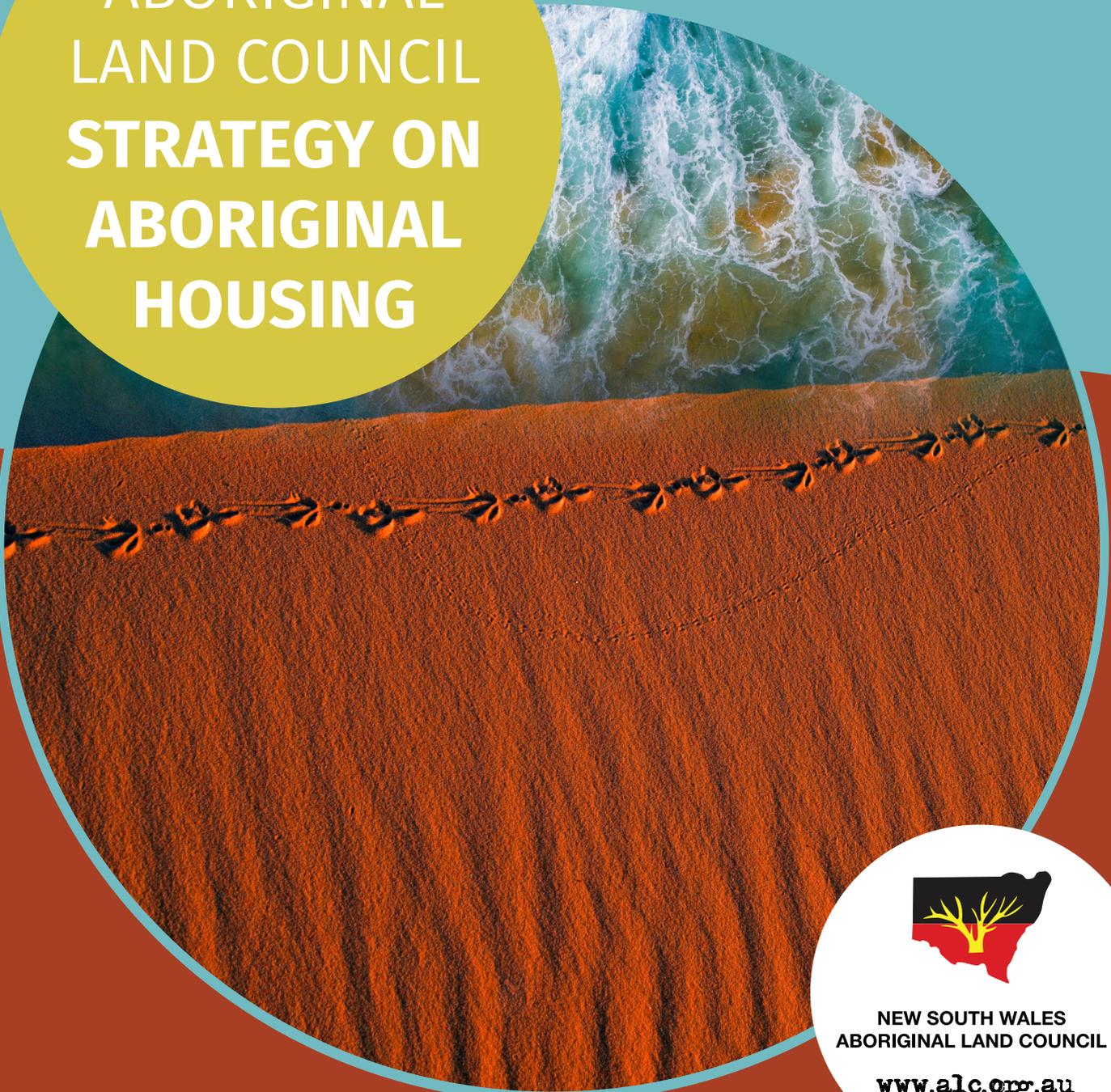


NSW
ABORIGINAL
LAND COUNCIL
**STRATEGY ON
ABORIGINAL
HOUSING**



NEW SOUTH WALES
ABORIGINAL LAND COUNCIL

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**Draft approved by NSWALC Council for consultation with the
Land Council Network.**

Please send your comments and ideas about this Strategy to
nswalcenterprises@alc.org.au

NSW ABORIGINAL LAND COUNCIL **STRATEGY ON ABORIGINAL HOUSING**

1. PURPOSE OF THIS DOCUMENT

NSWALC Council has approved this document for circulation – as a draft – to the Land Council Network and other stakeholders with an interest in housing for Aboriginal people in NSW. It outlines the strategic approach to housing that NSWALC is taking, with a particular focus on the role of the newly established NSWALC Housing Ltd. Establishing this housing company is an action to implement Goal 3 in the NSWALC Strategic Plan 2018-2022: Pursue Economic Independence and Prosperity for Our People.

Following this consultation with the Network, the Strategy will be finalised and published by the NSWALC Council. The Council will review the Strategy annually to ensure it remains current and reflects significant developments.





2.PREAMBLE

There have been many attempts to address the issues in Aboriginal Housing: some successes, but many painful experiences and many false dawns. This Strategy seeks to learn from the lessons of the past. The most important lesson is that our housing issues won't be solved unless our work is genuinely grounded in our communities, is based on deep and ongoing engagement, and responds to agreed needs. This is why NSWALC has developed this Strategy.

NSWALC is investing time and resources so that we get this part right. It means that we won't be able to do everything at once - we will need to focus, and establish strong foundations. There are lots of pieces that need to be brought together. But our people, in communities across the State, have to be at the centre of it. Without our knowledge, our experiences and our aspirations, without our people exercising self-determination, it won't work. And this will be the first thing that we say as we build the partnerships that we need with government, the private sector and not for profits.

3.OBJECTIVES

There is currently a shortfall of over 24,000 social and affordable dwellings for Aboriginal people in NSW and this will rise to 65,000 dwellings by 2031. In addition, in 42% of Aboriginal households in NSW owned or were purchasing their home, compared with 65% of non-Aboriginal households. Indigenous people make up 3% of Australia's population but 20% of the nation's homeless. NSWALC's Housing Strategy seeks to address these gaps by:

- increasing access to the range of housing options (across all forms of tenure) for Aboriginal people in NSW – and to the opportunities for social and economic participation that emerge when housing security is achieved.
- expanding the opportunities for Aboriginal people to participate in the service delivery, management and governance of social and affordable housing in NSW.
- establishing partnerships across the Land Council Network to leverage existing land assets and other strengths.

Local Aboriginal Land Councils (LALCs) are facing a period of uncertainty with changes to Aboriginal Housing Office (AHO) registration and subsidy policies, and head-lease arrangements under Build and Grow coming to an end. NSWALC has a responsibility under the *Aboriginal Land Rights Act 1983* to work to secure sustainable future housing management options for LALCs.



The following sections detail how NSWALC's strategic objectives for housing apply across various areas and initiatives.

3.1 NSWALC HOUSING LTD

NSWALC Housing Ltd has been established to spearhead efforts to grow the housing available to Aboriginal people in NSW. Across the Aboriginal and mainstream housing sectors, it will also:

- drive quality improvements in delivery of culturally sensitive services and culturally appropriate dwellings
- increase opportunities for Aboriginal-owned businesses to participate in delivery of housing and asset services
- support the establishment and operation of state and national level peaks for Aboriginal community housing.
- drive the employment of Aboriginal staff and the creation of valuable career paths



To support NSWALC Housing Ltd's purpose of increasing housing for Aboriginal people, it will service both Aboriginal and non-Aboriginal households, including through management of properties transferred from the mainstream social housing system. Services to non-Aboriginal households will be additional to, not in place of, services to Aboriginal households. This will maximise the surpluses that can be generated to reinvest to achieve the overall objectives of this strategy.

NSWALC Housing Ltd will also leverage the opportunities presented by:

- the key role that LALCs and their members play across the whole community
- the growing focus on LALC enterprises through NSWALC's Economic Development Policy
- the establishment of other NSWALC employment, training and land development and construction enterprises, including Yarpa, the Indigenous Business and Employment Hub.





3.2 LALC HOUSING

Housing owned by LALCs constitutes the largest proportion of the total portfolio currently managed by Aboriginal community housing providers. This strategy aims to:

- advocate for recognition and resourcing for LALC Housing & give appropriate support to LALCs where they choose to manage housing directly
- ensure LALCs have effective alternatives to direct housing management, through NSWALC Housing Ltd, and other providers
- demonstrate through NSWALC Housing Ltd, demonstrate effective service delivery and improve capabilities across the Aboriginal community housing sector.

The highly fragmented nature of the Aboriginal housing sector puts all providers at a disadvantage when compared to the non-Aboriginal sector, where consolidation has been encouraged by government and achieved over more than a decade. Fragmentation and lack of scale:

- gives rise to unnecessarily high administrative and other overhead costs
- draws LALC time and resources away from other activities that can bring additional benefits
- inhibits the development of growth capacity and expertise in housing service delivery to communities
- carries a risk that non-Aboriginal providers will increase the proportion of Aboriginal households that they manage because a capable Aboriginal provider is not available.

With the establishment of NSWALC Housing Ltd it is anticipated that most LALCs will move away from direct Housing Service provision over time. The future housing-related roles for LALCs could include:

- as owners of housing and other land, working with NSWALC Housing Ltd and the Network to identify opportunities to enhance the value, productive capacity and yield of these assets
- fostering and operating enterprises allied to housing service delivery, for example in the areas of repairs and maintenance, asset upgrades and delivery, tenant engagement, support programs and support co-ordination.





3.3 DISCRETE COMMUNITIES

Discrete Communities are a particular focus for NSWALC, and the NSWALC Council has directed that ongoing effort be directed to addressing the needs of these communities.

The resources required to address the infrastructure issues on Discrete Communities are beyond anything that NSWALC Housing Ltd could provide. Further, there are additional costs inherent in managing housing in remote areas, including some Discrete Communities. The NSW Government recognised those costs with the commitment under the Build and Grow strategy that, in remote and very remote NSW and a number of the former reserves and missions, subsidies for housing providers would not be time limited.

NSWALC will continue advocating for the needs of Discrete Communities, and will intensify efforts to have government recognise and address the legacy of their past actions. NSWALC is partnering with the NSW Government to deliver the Aboriginal Communities Water and Sewerage Program, and welcomes as a starting point the recent Roads to Home commitment by the Government in response to our advocacy.

NSWALC Housing Ltd will be an effective service delivery partner, supporting solutions for Discrete Communities where government determines to act.

3.4 HOME OWNERSHIP

On current trends it would take many decades to close the gap in Aboriginal home ownership in NSW.

The NSWALC Housing Ltd Growth Strategy (see below) provides a platform for the delivery of private market dwellings to support the delivery of additional social and affordable housing.

In addition to NSWALC Housing Ltd's Growth Strategy, NSWALC will also pursue other strategies to increase the level of home ownership. Currently, NSWALC is working to develop a pilot home ownership model for use on LALC land. Research suggests that viable models may include community land trusts, shared equity schemes, and rent to buy schemes, but in implementing any approach NSWALC will be mindful of past experiences where the outcomes sought have not always been delivered.



3.5 AHO AND THE ABORIGINAL COMMUNITY HOUSING SECTOR

Despite the urgent need for additional housing identified above, the current environment for the Aboriginal community housing sector is challenging. Growth of the sector through management transfers has been further postponed. Growth in the size of the AHO portfolio is slowing while growth in the mainstream portfolio is rising. Recent changes to AHO subsidy and registration policy are significant, leading to issues for LALC Housing. NSWALC will need to make sure these issues are addressed. This means continuing to work to influence the AHO to ensure providers can operate viably and sustainably, and to put growth back in focus.

Even after more than a decade of government initiatives to build capacity in the Aboriginal community housing sector, no Aboriginal provider has been able to win a share of the growth initiatives available to the wider community housing sector. This includes the current transfer of 14,000 public housing dwellings to the sector. NSWALC is setting up an Aboriginal housing capability to ensure that Aboriginal organisations do not continue to miss out.

NSWALC believes that our entry as a major new housing provider can help to convince the Government that the sector is ready for large-scale transfers of the AHO stock, with benefits for a range of Aboriginal providers.

Sector consolidation appears necessary to ensure that:

- the Aboriginal housing sector can compete with mainstream providers for future State and Federal growth initiatives
- the proportion of Aboriginal households in NSW managed by Aboriginal CHPs will grow in the next decade
- the NSW Government has a range of capable partners, allowing transfer of management and ownership of the AHO portfolio to the sector, in line with the original aims of the *Aboriginal Housing Act 1998*.

NSWALC Housing Ltd will collaborate with other Aboriginal CHPs and explore new ways of working together to improve service delivery arrangements and leverage the strengths of NSWALC to build on existing foundations.





NSWALC is also working with FACS, peak organisations and the Land Council Network to secure increased involvement by Aboriginal organisations in the delivery of support services in the homelessness system.

4 NSWALC HOUSING LTD GROWTH STRATEGY

The necessity of scale as a basis for financial metrics sufficient to support large scale new development has seen the evolution of the community housing sector over the last 10 years.

Mainstream Tier 1 providers typically have portfolios of housing under management in the order of 2,500 – 3,000, with a variable mix of owned/vested, capital (headleased from FACS) and leasehold (headleased from the private market) properties. Providers of this size typically employ 100 – 120 staff and generate an operating surplus of around \$1 million a year (available for investment in further growth opportunities). To achieve its objectives, NSWALC Housing Ltd needs to aim for a portfolio of this magnitude.



4.1 GROWTH TARGET

NSWALC Council has approved the following growth targets for NSWALC Housing Ltd:

- 100 – 300 properties (including those approved/ funded for construction, as well as under management) by 2020.
- By end of 2023, growth by a factor of 10, to 1,000 – 3,000 properties under management.
- By end of 2028, doubled to 2,000 – 6,000 properties under management.

NSWALC Housing Ltd will manage and deliver services directly. However depending on the speed and location of growth during the start-up phase, it may need initially to outsource some services to other existing providers, including a small selection of mainstream CHPs that have already demonstrated their commitment to working with NSWALC to help establish a new large-scale Aboriginal provider.

In pursuing these Growth Targets, NSWALC Housing Co will need to also focus on:

- ensuring that it has a geographically coherent footprint(s).
- working effectively with its service delivery partners
- collaborating with other Aboriginal housing providers to deliver growth across the sector and across NSW.

With this Strategy, NSWALC will be seeking to grow the total Aboriginal housing stock, not a zero-sum game where the growth of NSWALC Housing Ltd comes at the expense of other Aboriginal providers. We have concerns that the new Strong Family, Strong Communities strategy from the AHO does not set out a clear plan for how the sector can achieve significant stock growth. NSWALC will use all the available pathways with government to secure that growth.



4.2 CURRENT GROWTH STRATEGY FOCUS AREAS

In support of NSWALC Housing Ltd's growth strategy, current focus areas of work include:

- Working with the AHO to ensure implementation of the Aboriginal Social Housing Strategy supports a financially viable Aboriginal housing sector and growth in housing stock
- Working with other leading Aboriginal CHPs to maximise our collective impact
- Strengthening links with mainstream CHPs to improve capabilities and service delivery across both sectors, while supporting increased self-determination
- Further developing partnerships with builders, financial, commercial and legal advisors to pursue growth targets
- Supporting the establishment of Aboriginal Community Housing Industry Association in NSW and influencing other sector bodies to ensure that Aboriginal people in housing need are properly recognised and receive a fair share of resource allocations under government policies and growth initiatives.

Please send your comments and ideas about this Strategy to
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