



Australian Government

Australian Institute of
Health and Welfare

infocus

National Social
Housing Survey 2018

Social housing stock transfers: tenant experiences in South Australia

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Key findings

- Satisfaction is relatively high (over 75%) for South Australian tenants in both public housing (PH) and community housing (CH), irrespective of whether there has been a recent transfer of management to a CH organisation.
- Within CH, there are small differences in satisfaction between those living in transferred dwellings and those living in ongoing CH dwellings, with the latter reporting higher rates of satisfaction overall (84% compared to 76%).
- Of the factors examined from the survey, the characteristics of the transferred households and the dwellings they live in are key to explaining the observed differences in satisfaction. For example, differences in dwelling condition between ongoing and transferred CH.
- Once we account for these different characteristics, there is no difference in satisfaction between comparable CH tenants, irrespective of transfer status.
- These findings are indicative only, as the sample size is relatively small and most transfers occurred just months before the survey was conducted.

What is the National Social Housing Survey?

The National Social Housing Survey (NSHS) is a biennial survey undertaken on behalf of the Australian Institute of Health and Welfare (AIHW) and state and territory governments.

The NSHS collects data about social housing tenants and the dwellings they live in. It also collects information about tenant satisfaction with services provided by their housing providers, and the amenity and location of their home.

This In focus report

In 2018, for the first time, the NSHS collected information about South Australian tenants whose tenancy management services were recently transferred from the state housing authority to a community housing organisation. These transferred tenants are the focus of this report.



Profile of transfer tenants*:

3 in 4 are satisfied

with services from
their housing provider

2 in 3 female

3 in 5 live alone

1 in 2 aged **65 years** or more

1 in 2 have lived in social
housing for more than
20 years

9 in 10 live in greater Adelaide**

8 in 10 transfers occurred just
months before the 2018 NSHS

* These tenants lived in community housing dwellings in South Australia where tenancy management had been transferred from the SA Government (PH or SOMIH) to a community housing organisation between 1 July 2015 and 30 June 2018. Data relate to the person who filled in the survey.

** Based on dwelling location and ABS remoteness index of 'Major city', which in South Australia is a geographic area centred on Adelaide. For more information see <https://itt.abs.gov.au/itt/r.jsp?ABSMaps>. See RenewalSA (2018) for the suburbs where transfers were located.

Social housing in Australia

The main social housing programs are:

Public housing (PH)

This is the largest social housing program. It comprises publicly owned dwellings administered by state and territory governments. Rents are subsidised for eligible low-income tenants so that they generally pay no more than 30% of their gross income on rent.

State owned and managed Indigenous housing (SOMIH)

These dwellings, managed by state and territory governments, are aimed at low to moderate income households with at least 1 member who identifies as being an Aboriginal or Torres Strait Islander.

Community housing (CH)

This is the second-largest social housing program. It is generally delivered by not-for-profit organisations to low-to-moderate income or special needs households. CH models vary across states and territories. Some CH stock was previously delivered as PH or SOMIH, but management services have been transferred to a community housing organisation and are now part of the CH program.

Indigenous community housing (ICH)

This housing is owned or managed by an Indigenous community housing organisation or, in some cases, remote Aboriginal and Torres Strait Islander councils. These bodies can directly manage the dwellings or sublease tenancy management services to the relevant state/territory housing authority or another organisation. ICH is available to households with at least 1 Indigenous member.

Source: AIHW (2019b).

What is social housing?

Everyone needs access to safe and affordable housing. Social housing programs provide rental housing at below market rates to low-to-moderate income Australians who may otherwise struggle to find affordable housing.

How is social housing delivered?

State and territory governments are the main owners and managers of social housing dwellings in Australia, through their PH and SOMIH programs. Around 3 in 4 social housing dwellings are managed under the PH and SOMIH programs, while 1 in 4 is managed under CH or ICH (see box, left).

Program delivery is changing

There have been changes in recent years in the social housing program mix. Over the past decade, the number of CH dwellings more than doubled, increasing from around 36,000 in 2008 to nearly 88,000 in 2018 (AIHW 2019a). Over the same period, PH/SOMIH dwellings decreased from more than 350,000 dwellings to just under 331,000.

One driver of these changes is the transfer of the management (and sometimes ownership) of social housing stock from state and territory governments (PH/SOMIH) to community housing organisations (AIHW 2019a, PC 2019, Pawson et al. 2015).

Stock transfers in South Australia

Like other states and territories, South Australia has undertaken a stock transfer program from PH/SOMIH to CH (RenewalSA 2016, PC 2019). Around 5,000 dwellings and their households have had their tenancy management transferred to a community housing organisation—around 1,000 in 2015–16, and a further 4,000 in 2017–18 (PC 2019).



Transfers Comments from tenants

'Current provider is professional and prompt, and also has a social conscience aspect to the provision of services...we have been offered energy saving strategies as well as updates for passive energy saving (blinds, screens etc.); currently being offered solar panels which I could never have afforded. By offering these services to all without qualification other than tenancy, the cumulative effect is an overall improvement in the housing stock and a positive effect on the community as a whole.'

SA transfer tenant

Why are housing management services being transferred to the community sector?

Governments, social housing providers and researchers put forward a number of rationales for the transfer of social housing management to the community sector (see, for example, RenewalSA 2018, NSW FACS 2019, Audit Office of NSW 2013, Compass Housing Services 2016, Pawson et al. 2015, PC 2017). They broadly fit into two categories—service improvement and financial sustainability—plus an overarching goal of building capacity in the community housing sector.

Build the size and skills of the community housing sector

Service improvement

- Improve services to tenants
- Bring flexibility, customisation and innovation to housing management
- Renew neighbourhoods and encourage communities to be active in managing local affordable housing

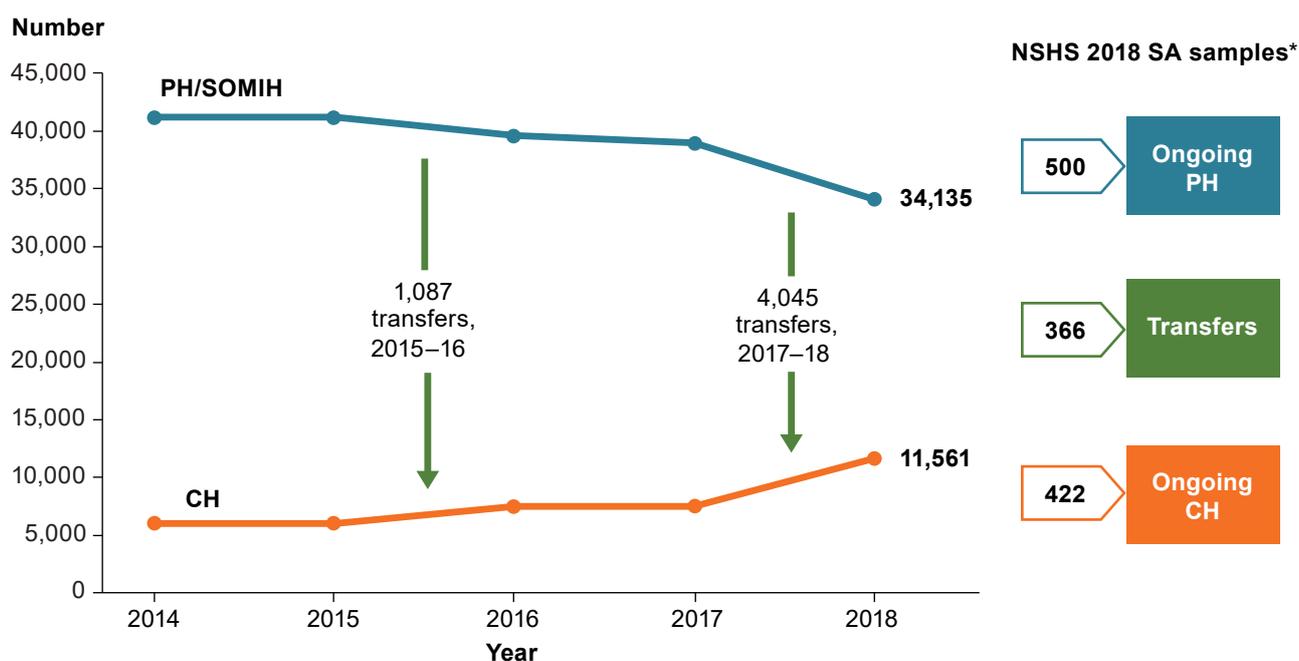
Financial sustainability

- Improve access to investment finance
- Charitable status typical of CH providers confers tax benefits
- Increase social housing revenues through tenant eligibility for Commonwealth Rent Assistance[†]

[†] Social housing tenants in government owned and managed housing programs (such as PH and SOMIH) are ineligible for Commonwealth Rent Assistance (DSS 2019).

The CH **transfers** (tenants sampled in the 2018 NSHS living in dwellings transferred to the CH sector in 2015–16 or 2017–18) were all located in non-remote areas of South Australia, with a sample size of 366. In this report they are compared to 2 other South Australian NSHS cohorts where tenancy management was unchanged over the same period: **ongoing PH** and **ongoing CH**.

Social housing dwellings (South Australia) at 30 June, by year and housing program, 2014 to 2018, and the 2018 NSHS sample for South Australia



Sources: PC (2019) Report on Government Services 2019, NSHS 2018.

* At 30 June 2015 SOMIH dwellings comprised 4.6% of South Australia's government owned and run social housing (the rest were PH). Since 2015, 4.4% of transferred dwellings came from the SOMIH program (the rest from PH). As SOMIH transfers have been a relatively minor component of the transfer program, SOMIH respondents are not examined further in this paper. All samples are from non-remote areas of SA.

Tenant characteristics

(These relate to the householder who filled in the survey).

The 3 populations share some characteristics in common, while differing on others. Most respondents were female (all 3 populations) and around 3 in 5 tenants live alone (58% of ongoing PH/CH, 63% of transfers). The 3 groups differed in the age of respondents: transfers were more likely to be older (46% were aged 65 or over, compared to 33% of ongoing PH, and 36% of ongoing CH). Both transfers and ongoing PH had lower proportions of people aged under 45, compared to ongoing CH (12% and 15%, versus 26%, respectively).

Ongoing PH	Transfers	Ongoing CH
<ul style="list-style-type: none">• Nearly 2 in 3 female• 3 in 5 live alone• 33% aged 65 years or more• 15% aged under 45 years	<ul style="list-style-type: none">• Nearly 2 in 3 female• 3 in 5 live alone• 46% aged 65 years or more• 12% aged under 45 years	<ul style="list-style-type: none">• Nearly 2 in 3 female• 3 in 5 live alone• 36% aged 65 years or more• 26% aged under 45 years

Social housing history

Consistent with the cohort's older age profile, transfers were more likely to have lived in social housing for long periods. Half reported having lived in social housing for more than 20 years, compared to 42% of ongoing PH, and just 13% of ongoing CH.

Ongoing PH	Transfers	Ongoing CH
<ul style="list-style-type: none">• 42% had lived in social housing for more than 20 years• 86% had lived in their current home for 3 or more years	<ul style="list-style-type: none">• 50% had lived in social housing for more than 20 years• 86% had lived in their current home for 3 or more years	<ul style="list-style-type: none">• 13% had lived in social housing for more than 20 years• 77% had lived in their current home for 3 or more years

'I rang to make an inquiry about what I thought was a rent increase and the lady I spoke to on the phone was extremely helpful and took the time needed to explain what was happening.'



'Haven't been a tenant with community housing for long.'

Transfers Comments from tenants

Dwelling profile: dwelling location[†] and number of major structural problems^{††}

Transferred dwellings had similar structural characteristics to ongoing PH dwellings. Specifically, more than 40% of tenants from both populations reported that their home has one or more major structural problems, while 34% of ongoing CH reported the same. Transfers were a little more concentrated in Adelaide (remoteness area: major cities) than ongoing CH tenants were.

Ongoing PH	Transfers	Ongoing CH
86% in major city	89% in major city	84% in major city
Structural problems:	Structural problems:	Structural problems:
0: 58% 1: 18%	0: 57% 1: 19%	0: 66% 1: 17%
2 or more: 24%	2 or more: 24%	2 or more: 17%

[†] Based on dwelling location and ABS remoteness index of 'Major city', which in South Australia is a geographic area centred on Adelaide. For more information see <https://itt.abs.gov.au/itt/r.jsp?ABSMAPS>. See RenewalSA (2018) for the suburbs where transfers were located.

^{††} Respondents to the NSHS are asked whether their home has any of the following problems: rising damp, major cracks in walls/floors, sinking/moving foundations, sagging floors, walls/windows not square, wood rot/termite damage, major electrical problems, major plumbing problems, major roof defects.

Satisfaction with housing services

Tenants were asked about their satisfaction with the overall services provided by their housing organisation. A slightly lower proportion of transfers were satisfied with overall services (76%) compared to ongoing PH (79%), but the difference is not statistically significant. Compared to transfers, a higher proportion of ongoing CH were satisfied (84%), and here the difference is statistically significant (95% confidence level).

Satisfaction overall with services from housing provider (% satisfied or very satisfied)

Ongoing PH	Transfers	Ongoing CH
79%	76%	84%

'Prompt service for any maintenance problems like faulty power socket, have had follow up service from last year, this year for weed control in backyard, gutters cleared yearly, have had ceiling fan installed to assist with cooling, community programs held which I have attended, competitions held, overall a friendly, satisfying housing provider to be with.'



'My daughter and I have been [PH] tenants since 1994 and have been very happy and felt privileged to reside in a [SA PH] property for 23 years. To be completely honest, as nice as the landlords are that we have at the moment, we REALLY miss being [SA PH] tenants.'

Transfers Comments from tenants

Understanding differences in tenant satisfaction

Regression analysis of NSHS data was used to identify the relationships, if any, between multiple factors (tenant/dwelling/household characteristics, such as age, where a tenant lives, or the condition of their dwelling) and tenant satisfaction (AIHW 2019b). Regression analysis is a statistical technique for understanding relationships between multiple factors and an outcome (such as tenant satisfaction).

There are multiple factors that influence tenant housing experience and their satisfaction with services. Many of these factors are interrelated, and some are more/less common in particular locations or housing programs.

Where 2 populations have different levels of satisfaction, it is difficult to determine what the drivers might be when there are multiple factors at play. Regression analysis allows us to account for a range of factors at once. The results help to better explain differences in satisfaction between populations.

Key factors in tenant satisfaction

Previous results from the 2018 NSHS show that tenant satisfaction with services from their housing provider is closely coupled to the condition of their home, with satisfaction falling significantly as structural problems increase (AIHW 2019b). This relationship holds after accounting for a wide range of geographic, demographic and housing-related factors.

Other relevant factors that are closely associated with higher satisfaction (after accounting for a range of factors) include:

- living in an inner regional rather than major city location
- being a couple with no children (compared to a single adult living alone)
- having lived in social housing for 10 years or less (satisfaction tends to fall as time in social housing increases).

For more information about the relationships between tenant satisfaction and the factors discussed here, see chapter 2 of *National Social Housing Survey 2018: Key results*.

Differences in satisfaction between community housing and other programs

A further finding from the 2018 NSHS relates to differences in satisfaction between CH tenants (80% satisfied, Australia-wide) and PH tenants (73% satisfied, Australia wide). At a national level, the higher satisfaction rates apparent in CH are mostly explained by factors other than being in the CH program: in particular, poorer average dwelling condition for PH stock accounts for much of the lower satisfaction in PH. Once we account for all factors included in the NSHS regression analysis, particularly dwelling condition, time in social housing and household composition, CH tenants were only slightly more likely to be satisfied than comparable PH tenants.

'Been here over 25 years, as an aged pensioner for approx 12 years. [These] are very old units, at a guess, they would have to be built in the 1950's, so they do need upkeep and maintenance...'



Transfers

Comments from tenants

'Well [I've] lived in this house for a long time, it wasn't even repainted when I moved in 10 or 15 years ago... most of the time I did not invite people over...the house was recently painted and looks great and I am no longer ashamed. Recently the corner of the roof was replaced because it was rotted.'

What explains lower satisfaction rates for the transfer population?

Regression analysis can help us understand the different satisfaction rates observed for CH transfers, ongoing PH and ongoing CH in South Australia. Of the factors measured in the survey, and included in the regression analysis, the characteristics of the transferred households and the dwellings they live in are key to explaining the observed differences in satisfaction. Once we account for these and a number of other demographic and housing-related factors, satisfaction between the 3 populations is not significantly different.

Transfer tenants were more likely to be living in a major city with structural problems in their home, and have lived in social housing for long periods, compared with ongoing CH tenants. From the regression analysis, we know that for South Australian tenants, like tenants Australia-wide, these factors are associated with lower satisfaction.

Analysis in context

Firstly, the analysis is based on a relatively small sample size of tenants in a single jurisdiction, and the results may not translate to other jurisdictions or nationally.

Secondly, the transfer of housing stock covered in this analysis occurred relatively recently—80% of transfers occurred in the months before the survey. The medium and longer-term impacts of stock transfers cannot be assessed for these populations at this time. Further, tenant satisfaction may be temporarily affected by potential disruption or unease during the transition period and as CH organisations adapt to managing their increased portfolios (Pawson et al. 2016).

Thirdly, the regression analysis presented here did not include every factor that might influence tenant satisfaction. Further analysis, based on a larger sample size, could account for a wider range of potentially important factors that are collected in the NSHS.

What have we learnt about stock transfers?

This report provides a snapshot of the characteristics and experiences of a sample of stock transfer tenants in South Australia in 2018. The snapshot suggests there are differences between transfer tenants and ongoing PH or CH tenants with regards to: household composition, dwelling location and structural condition, the housing history of tenants and overall tenant satisfaction with their housing provider.

Using regression analysis to understand the relationship between tenant satisfaction and multiple factors helps to explain the observed differences in satisfaction between the transfer group and ongoing CH tenants. These results suggest that dwelling location and structural condition, and time in social housing are key factors influencing tenant satisfaction for the 3 groups—not their housing program or whether there had been a program transfer.

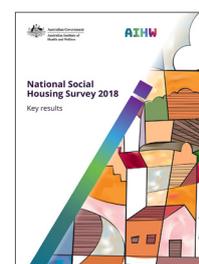
Where to next?

Future work could include an expanded sample of CH transfers, for other jurisdictions, so that a national picture could be formed. Research that follows tenants from before their home is transferred, through the process and with follow up in the years after would provide a more detailed understanding of the impact of stock transfers on tenants and their social housing experience.

More information

This In focus report is part of the NSHS 2018 release, which includes pdf and web reports, plus data visualisations and supplementary data tables.

To access NSHS 2018 products, go to www.aihw.gov.au/reports/housing-assistance/national-social-housing-survey-2018-key-results.



National Social Housing Survey 2018: Key results

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