Social procurement criteria: Building the case for housing as infrastructure

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Social and affordable housing program of research

Rethinking social housing

- Framework Strategy
  - Outcomes & Indicators
  - 9 domains
  - Productivity focus – tenant, macro-economic, fiscal, non-monetary

Framework Elements

- Attribution
- Data
- Composite Return on Investment

Valuing social housing

Procuring social & affordable housing

- Social Procurement Criteria
  - Demographics
  - Housing typologies
  - Funding & financing

Mapping the social & affordable housing network

- Map the network
  - 13 elements
  - Network maps
  - Gaps, synergies & clashes

2014 - 2020
## Types of social procurement

<table>
<thead>
<tr>
<th>Type</th>
<th>Focus</th>
<th>What is procured</th>
<th>Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type 1</td>
<td>Not for profits</td>
<td>Social programmes with public good</td>
<td>Competitive tendering of goods and/or services</td>
</tr>
<tr>
<td>Type 2</td>
<td>Housing infrastructure with social outcomes</td>
<td>Housing infrastructure with additional social benefits</td>
<td>Both hard and soft outcomes from a single contract</td>
</tr>
<tr>
<td>Type 3</td>
<td>% from social businesses</td>
<td>Non-traditional services</td>
<td>Shift from competitive tendering to positive discrimination</td>
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<tr>
<td>Type 4</td>
<td>Ethical goods and services</td>
<td>Procurement from ethical business</td>
<td>Purchasing not necessarily related to goods and service</td>
</tr>
</tbody>
</table>

Adapted from Furneaux and Barraket 2014
Develop social procurement criteria

Funding & Finance
- Innovations
- Improve access
- Social returns

360 Survey
- Across key stakeholders

Test & Illustrate
- Test cases in Qld, NSW & WA

Social procurement approaches
- Assets + services
- Build diversity

Demographics & Typologies
- Match needs & typologies
- Changing expectations

SOCIAL PROCUREMENT CRITERIA
Changing demographics of social and affordable housing cohorts

- Lowest quintile incomes
- The ageing
- Young people
- Single person households
- Single parent family
- Multi-generational households
- People with disability
- Indigenous Australians
- Victims of family & domestic violence
- Those exiting from Justice system
- Key workers
- Migrants
- Those experiencing homelessness

Image: WA Department of Communities Housing
Existing typologies
- detached housing
- semi-detached
- granny-flat
- mobile home
- caravan
- tiny house
- shelters
- boarding home
- hostels
- duplex
- dual occupancy
- terraces
- townhouses
- low rise units
- studio apartments
- mixed-use developments
- high rise apartments

Emerging typologies
- Duplexes
- townhouses
- courtyard apartments
- co-housing
- dual/multiple occupancies
- small lot housing
- micro lot villages
Social procurement approaches

**Mainstream**
- Public housing transfers & renewal
- Housing for remote indigenous communities
- Housing for those with a disability
- Community Housing Providers (CHPs)
- Partnerships
- Shared equity (in some states)

**Emerging**
- Housing for those with a disability
- CHPs - private rental agencies & rent to buy
- Inclusionary zoning & value capture
- Partnerships
- Shared equity
- Cooperatives / co-housing
- Social benefit bonds
- Build to rent
- Using vacant infrastructure
### Examples of procuring with social outcomes

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Housing elements</th>
<th>Add access to:</th>
<th>Procurement approaches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single parent</td>
<td>Open space</td>
<td>Employment</td>
<td>Partnerships – Gov., Community Housing Providers &amp; other service providers; private sector; co-housing</td>
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<tr>
<td></td>
<td>Higher space needs</td>
<td>Education</td>
<td></td>
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<tr>
<td></td>
<td>Good lighting</td>
<td>Green space</td>
<td></td>
</tr>
<tr>
<td>Ageing</td>
<td>Accessible design</td>
<td>Health services</td>
<td></td>
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<tr>
<td></td>
<td>Lesser space needs</td>
<td>Community facilities</td>
<td></td>
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<tr>
<td></td>
<td>Community access</td>
<td></td>
<td></td>
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<tr>
<td>Key workers</td>
<td>Access to workplace</td>
<td>Employment</td>
<td>Shared equity; cooperatives; inclusionary zoning</td>
</tr>
<tr>
<td></td>
<td>Lower space needs</td>
<td>Transport</td>
<td></td>
</tr>
<tr>
<td></td>
<td>High density OK</td>
<td></td>
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</tbody>
</table>
**Social procurement in action ...**

**One on Aberdeen, Perth**
- 41% of 161 apartments available low-to-moderate income earners
- Shared equity (Keystart & WA Gov.)
- Affordable & social rentals
- Access to public & active transport, educational, cultural & medical facilities.

Sources: WAHA 2015 +

**Ivanhoe Redevelopment, Sydney**
- Approx. 1000 social housing
- 128 affordable housing dwellings
- Carbon neutral, 5 star with low cost energy
- Close to jobs, education, transport, health and community facilities

Compiled from Chilvers 2017 and Curran 2017
Social procurement in action …

QDHPW Youth Foyers
- 6 year program
- Housing, employment, education, personal growth, life skills, links to community
- Support to achieve independence
- Gov., NFP and private investors

Lendlease at Yarrabilba
- Social enterprise build with AES/Access Community Services
- Home/land package - $375-$390,000
- 9 star NatHERS rating
- Upskilled 10 young people in local area
- Karen Greeves – Sustainability Innovation Leader

# Social procurement criteria – reveal latent potential

<table>
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<th>Focus</th>
<th>Criteria</th>
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<tbody>
<tr>
<td><strong>System focus</strong></td>
<td>Builds partnerships&lt;br&gt;Builds housing pathways&lt;br&gt;Builds diversity in housing stock&lt;br&gt;Builds financial capacity of system</td>
</tr>
<tr>
<td><strong>Supply chain focus</strong></td>
<td>Stimulates industry-wide innovation&lt;br&gt;Supply chain maturity&lt;br&gt;Builds sector capacity&lt;br&gt;Successful models/pilots</td>
</tr>
<tr>
<td><strong>Organisational focus</strong></td>
<td>Benefits/outcomes measurement (life trajectory and financial)&lt;br&gt;Time frame for benefits realisation&lt;br&gt;Integrated service and asset delivery&lt;br&gt;Manages risk distribution</td>
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<tr>
<td><strong>Person focus</strong></td>
<td>Addresses diverse cohort needs&lt;br&gt;Addresses diversity, choice and aspirations in housing needs&lt;br&gt;Builds financial capacity of individuals&lt;br&gt;Supports sustainable and affordable living outcomes</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>Agility and responsiveness&lt;br&gt;Appropriate scalability&lt;br&gt;Location-specific responsiveness</td>
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Core Partners

NSW Government
Family & Community Services
BGC
Queensland Government

Curtin University
Griffith University

Project Partners

AHC
Keystart Home Loans

Project Affiliates

Access Housing - Common Ground Qld - KPMG - Community Housing Industry Association - PowerHousing - UDIA NSW - Wladyslaw Obod Architects - Victorian Social Housing & NDIS Reform Group - Brisbane Housing Company
Mapping the social and affordable housing network:

Procuring Social and Affordable Housing:
http://sbenrc.com.au/research-programs/1-54/

Valuing Social Housing:

Rethinking Social Housing:

https://twitter.com/DrJAKraatz

THANK YOU