Positioning Paper

Improving access to social housing: ideas for reform

authored by

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1 INTRODUCTION

For 60 years, the public housing sector has had a dominant role in the Australian social housing system, and most households wanting to access the system have had a single point of entry via the public housing agency in each state or territory. Each has its own application and allocations policies and practices to determine who gets access to its housing, in what order, and what type and size of housing is offered to households. Whilst nine in ten social housing dwellings are still owned and managed by state or territory public housing agencies, the number is slowly declining, and it appears that any growth in the social housing system will not be in public housing but rather in community housing, including new models of 'affordable housing', and accommodation for Indigenous people (Milligan et al. 2004). As social housing in Australia moves towards a more explicit multi-provider system, issues and challenges arise regarding improving access, including information and choice for households, efficiency for providers and the overall development of the social housing system.

This Positioning Paper is the first report of a project funded by AHURI which is examining in detail possible means of improving access in a multi-provider social housing system. It explicitly builds on, and develops, a previous AHURI project which provided a comprehensive review of the Australian and international literature on applications/allocations in social housing and set out a broad analytical framework for understanding how these systems work. This highlighted both the advantages for providers in managing their own eligibility and allocations processes, and emerging problems in a multi-provider system where each provider has its own criteria and process for applications/allocations (Burke and Hulse 2003; Hulse and Burke 2005).

This work also identified a number of potential reforms to improve access to social housing, based on developments in Australia and overseas. The most significant of these were as follows.

- **Common housing registers**

Some Australian jurisdictions are examining, developing or planning to implement common housing registers (CHRs) for all or parts of the social housing system. Whilst models of CHRs vary, they provide one point of registration for people seeking social housing and a common database from which households can be drawn when providers allocate properties. They aim at making access easier and less time consuming for households, and eligibility assessment and allocations more streamlined. CHRs are being heavily promoted in Scotland, and to a lesser extent in England and Wales, and are compulsory in Canada's Ontario province (Hulse and Burke 2005: ch. 6).

- **Choice-based allocations (lettings)**

There have been significant reforms in Europe, particularly in the Netherlands and the UK, to improve choice for households wishing to access social housing through the advertising of vacant properties. Whilst these ideas have not been taken up in Australia, recent evaluations suggest that households appreciate the greater choice, information and control, and providers are positive about their contribution to efficient management (Hulse and Burke 2005: ch. 7).

- **Local allocations policies**

Some Australian and overseas jurisdictions are trialling or have introduced local allocations policies to respond to considerable diversity in local housing sub-markets and housing needs. These have a number of objectives including sustainable tenancies, 'balanced' communities, letting housing in low demand areas, improving tenant satisfaction and excluding potentially disruptive tenants. They have not been documented in any detail nor systematically evaluated (Hulse and Burke 2005: ch. 7).

The aim of the current project is to extend this work further through a detailed investigation, analysis and evaluation of possible means of improving access to social

housing that have been developed, piloted and implemented both in Australia and overseas. The research will assess the objectives of various reform initiatives and the context in which they operate, learning from experiences in development and implementation. The research is not about promoting any particular reform, for example, CHRs, but about evaluating their potential applicability (or non-applicability) to Australia. This Positioning Paper, as the first stage of a multi-stage project, starts the process by providing a framework in which to think about the issues.

The project differs from most other AHURI research in that this Positioning Paper is part of an iterative process through which information is collected, analysed and then fed back to stakeholders. It contains ideas, experiences, issues and questions, and is designed to be of maximum use to people grappling with some of these issues in social housing around Australia.

In the rest of the Positioning Paper, we examine the current policy context around social housing allocations (Chapter 2) and outline the research design for the project (Chapter 3). We then develop a framework for considering reforms to allocations so that these can be assessed both individually and in terms of their impact on the social housing system overall (Chapter 4).

Finally, we explore some initiatives to improve access to social housing, including common assessment frameworks (Chapter 5), CHRs (Chapter 6) and other options for reform including local allocations policies and choice-based allocations (Chapter 7).

2 THE POLICY CONTEXT

The Australian social housing system is changing. Public housing agencies, which provide nine in ten social housing units, face the twin pressures of real decreases in funding and sustained demand from very low income households, some of whom have urgent and/or complex needs. Most appear to be financially unsustainable under current policy settings (Hall and Berry 2004). Additional funds via the Commonwealth-State Housing Agreement are being used to underwrite the current system of income related rents for low income households and to deal with an ageing and often inappropriate stock. Agencies are drawing on their existing land asset to fund estate redevelopment and other projects, with the result that the number of public housing dwellings is declining slowly at a time when turnover of units has also decreased (Hulse and Burke 2005).

These changes have impacted substantially on access. Fewer households are entering public housing now than at any time in the last 15 years. In 2003-04, 30,962 new households were allocated public housing, compared to 53,100 in 1989-90, a reduction of more than 42 per cent. These represented only 15 per cent of households on the waiting list (SCRGSP 2005: Table 1).

State and territory governments have responded in a number of ways. They have moved, or are moving, to highly targeted public housing systems to allocate an increasingly scarce resource to those with the highest needs. At the same time they are looking to attract additional resources into social housing through the development of the 'not for profit' housing sector. Whilst there is already a community housing sector comprising many providers, typically managing a small number of units, some jurisdictions are facilitating the development of larger 'affordable housing' providers that can leverage in private finance and are more likely to own the housing asset and carry out the full range of tenancy management functions. There are considerable overlaps between these types of social housing providers in terms of client groups with, for example, public housing agencies having moved, or moving, to targeting to households with complex needs which have been the traditional client group of many smaller community housing providers.

2.1 Access to housing and support services: common assessment frameworks

There are multiple entry points into the Australian social housing system. These include public housing, long-term community housing, transitional housing and crisis accommodation. Except for public housing, there is within each entry point a multiplicity of providers that may target a particular population group or work within a defined geographical area, depending upon their purpose and objectives. The details of the specific relationship between the public housing system and the rest of the system vary from jurisdiction to jurisdiction but, for simplification, Figure 1 represents the broad pattern of entry and allocation.

Figure 1   Entry points into the Australian social housing system

Household presenting for housing assistance

Multiple entry points (providers)

Public housing	Long-term community housing incl. head lease	Medium-term housing incl. head lease	Crisis housing
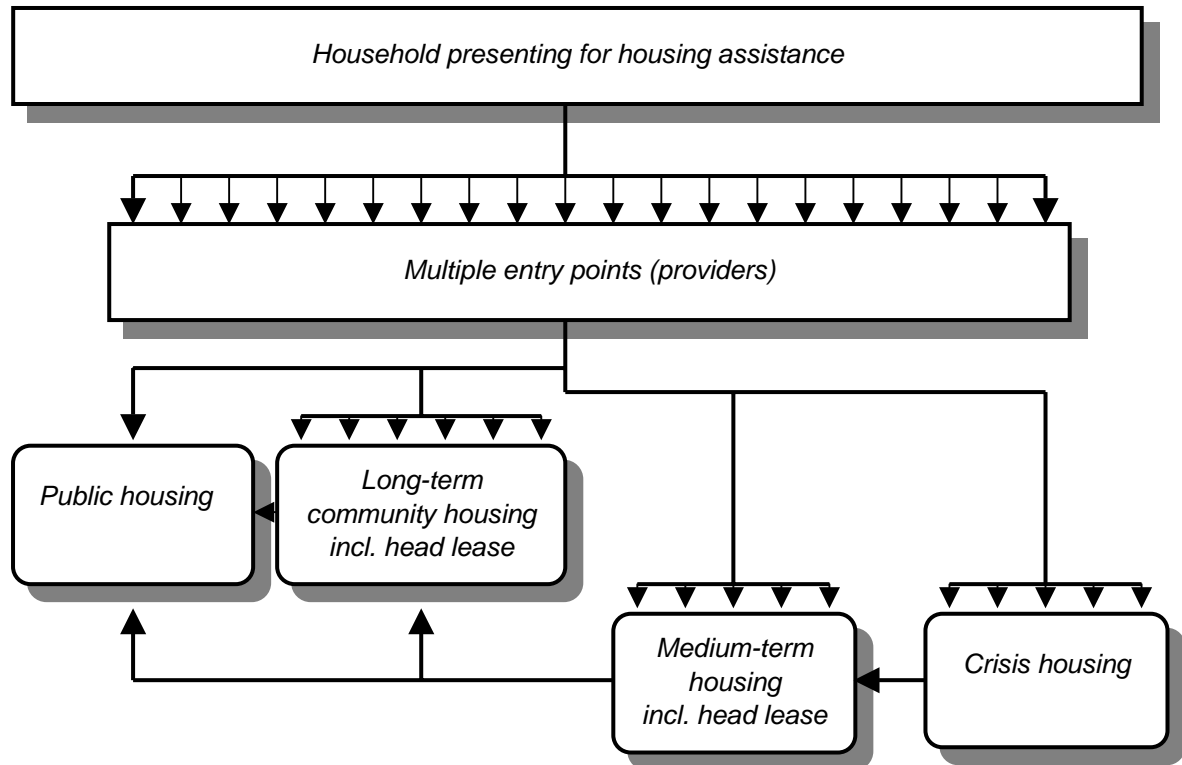
In practice, a person or household presenting for housing assistance could approach any one of these entry points, depending upon their personal circumstances or knowledge of the options. But let us consider, for example, a household presenting for crisis accommodation. Once they have approached a crisis accommodation agency they would be assessed for housing, that is, for their housing need, and if deemed eligible they will be housed (wherever possible). However, by the very nature of this 'crisis' sector, this will never be a long-term housing solution. Instead, the household is likely to then apply for some other form of housing such as transitional, long-term community or public housing. Regardless of their actual route, they will need to apply separately to each agency, providing much core information that has previously been collected by another.

This example raises issues of coordination of housing and support services which are of concern particularly to jurisdictions such as South Australia and Victoria, where social housing is part of a broader Human Services Department. A focus on human services draws attention to the linkages between social housing and services for homeless people and, less directly, to issues associated with homelessness such as mental health, domestic violence and substance abuse. Both jurisdictions are developing a 'common assessment' framework and an agreed set of tools to be used at various entry points to identify housing and any support needs. Policy development in this area is considered further in Chapter 5.

2.2 Access to longer-term social housing: common housing registers

Changes in the composition of the social housing system mean that low income households can potentially access longer-term housing via a range of providers: a single public housing agency in each state and territory, a large number of small community housing agencies, a small number of larger affordable housing providers, or Indigenous specific organisations. Under current policy settings, they must make a separate application to each provider which has its own system for managing the applications/allocations process, including overseeing the registration and assessment of applicants, maintaining waiting lists and allocating accommodation. This system reflects a model where public housing agencies have been the dominant providers of social housing, 'complemented by a fragmented community sector consisting of many very small-scale providers' (Hulse and Burke 2005: 50).

Agency specific access has a number of advantages for social housing providers. It enables each agency to control the provision of information about their services, have direct contact with potential applicants, provide support and referral if necessary, apply eligibility and assessment criteria in a way that is appropriate to their service objectives, maintain contact with households waiting for accommodation, and control allocations to ensure the best match of households with properties (Hulse and Burke 2005: 50).

The changing composition of the social housing system in Australia, however, raises questions about why households have to go through an application and assessment process with each agency, relating their circumstances over and over. Let us consider a household that applies for public housing at their local area office. After completing an application form, they are identified as being eligible for housing and are placed on the waiting list for public housing in the area. However, in this same area there are many other providers of social housing for which the household may also be eligible. One reason that the household may not apply to these other agencies is the simple fact that they are unaware of them. Recent research on applicants on waiting lists for public housing found that 82 per cent were unaware of any community managed housing that they might also be eligible for (Burke, Neske and Ralston 2004: 19). In the current system, this household has applied for public housing and will only be considered for public housing, significantly reducing their options and, due to the demand for this housing, their potential for being housed.

There are also questions about whether agency specific access is efficient from the point of view of providers. In child care and kindergartens, for example, multiple listing of applications is frustrating and time-consuming for households, and inefficient for providers who waste resources offering places to children whose parents have registered 'to keep their options open' or have already accepted a place elsewhere. Multiple access points can also hinder planning and development of the sector, as demand for services is difficult to establish due to double counting. For this reason, some kindergartens, for example, are pooling resources to establish a common register for applications.

In the context of social housing, there are similar concerns about duplication of registration, inefficiencies due to multiple listing, and lack of accurate information for planning the system overall. There is also a more specific concern that, if more funding is to be directed to community and affordable housing, this type of housing should also be available to applicants on the public housing waiting list.

Most jurisdictions have done, or are doing, policy work on the development of CHRs. Whilst models vary considerably, they have three core elements: a shared housing and information advice resource by participating providers, a single application form by which anyone seeking housing in the area can register need and specify their preferences, and a common database from which participating landlords can rank and select applicants according to their own allocations policy (Scottish Executive 2004). Experience from overseas indicates that CHRs sometimes operate with other

'common' processes: common eligibility criteria, common ranking of applications and even common allocations policies. These are, however, not necessary components of a CHR. Policy work around the development of CHRs is discussed further in Chapter 6.

2.3 Flexibility in allocations to enable sustainable neighbourhoods: local allocations policies

Increased targeting of public housing since the mid-1990s can be understood as a way of managing sustained demand for a decreasing number of units available for allocation to households on waiting lists. Where public housing is concentrated in complexes or older style estates, this can create other problems, including unsustainable tenancies, high turnover, vacant units and inability to establish basic connections between neighbours due to health and other issues. There has been no systematic evaluation of the effects of targeting, but such problems have been highlighted in consultations around neighbourhood/community renewal programs since the late 1990s. Policy makers are concerned that the financial, organisational and community investment in the programs could be jeopardised and that, without some control over local allocations, the areas might slide back into being areas of disadvantage.

Similar concerns about the impact of allocations on local neighbourhoods can be seen overseas, together with examples of increasing local flexibility in allocations. The HOPE VI program in the US, set up in 1992 to address the problems of 'distressed' public housing neighbourhoods, provides one example. It involves the twin strategies of moving some very low income households to 'lower poverty' neighbourhoods and ensuring that redeveloped public housing areas have a better mix of households in terms of income. Uniform federal rules that required local public housing agencies to give preference to very poor (including homeless) households were repealed, and they now have much greater flexibility in selection of tenants and allocation of units in redeveloped areas. Research suggests that the benefits of local flexibility in allocations have been mainly positive (Popkin et al. 2004).

In the UK, there have also been concerns that standard allocations policies have exacerbated problems in some disadvantaged neighbourhoods, and local allocations policies suited to local conditions have been introduced as part of the solution. Research for the Housing Corporation in England found that just over half of housing associations had some form of local allocations scheme. Their most common objectives were promotion of balanced communities, promotion of sustainable tenancies, response to low demand, promotion of tenant satisfaction, and exclusion of potentially disruptive tenants (Pawson and Mullins 2003b: 28). Local allocations policies are also used by local government housing departments (public housing) for many reasons, including finding tenants for 'hard to let' stock.

There is growing recognition in Australia that social housing allocations must be more responsive to local sub-markets in both private rental and social housing (for example, Zakharov et al. 2004). Whilst Australia does not have the volume of 'hard to let' social housing as in some European countries, some types of social housing (e.g. bedsitters) and housing in some locations (e.g. some country towns) are in low demand and may require specific allocations policies. Some social housing is in areas where little private rental is available, and then only at very high rents (e.g. resource development towns in the north of Australia), again requiring allocations policies that enable service and other workers to be accommodated.

Some jurisdictions are considering or trialling local allocations systems to address specific area-based problems or to complement renewal or redevelopment projects. This is discussed further in Chapter 7.

2.4   Household choice: choice-based allocations

Social housing providers in Australia allocate vacant properties to households on the waiting list based on administrative criteria and processes. Households are, for the most part, passive participants in the process, with only limited rights of refusal once they are offered a property. There is very little opportunity for active household choice in this model, although there is some variation in the community housing sector. Tighter targeting in recent years has had the effect of further reducing choice for many households wishing to access social housing (Hulse and Burke 2005).

Policy developments overseas have involved a substantial rethinking of this model of matching people and properties by administrative means. For the most part, this has involved schemes in which vacant social housing properties are advertised openly such that eligible households can apply for a specific property or properties. This system was initially developed in the Netherlands and has been further developed in England and Wales, where it has become a major policy initiative in government, under the banner of 'choice-based lettings'. To date, however, the idea has not had much resonance in Australia, although South Australia has piloted one version of such a scheme. Policy work around local allocations policies and choice-based allocations is discussed further in Chapter 7.

2.5   Summary

Social housing in Australia is moving towards a more explicit multi-provider system with a number of sub-sectors and types of providers. This changing policy context will inevitably bring about changes to social housing allocations which are based on a historical model of access via a single public housing agency in each state or territory.

Currently, most jurisdictions are working on some of the issues raised by a multi-provider system. These include: ways of ensuring better coordination between longer-term social housing, other types of housing assistance and related support services; mechanisms to improve consolidated information, choice of provider and seamless access to social housing for households; greater flexibility for providers in allocations at a local level; and more choice and a more active role for households in expressing preference for particular properties.

These issues are complex and require a number of perspectives to be considered. Firstly, what reforms to allocations would improve information, choice and access for households? Secondly, which reforms would enable providers to manage their housing more efficiently whilst giving a better service to their clients? Thirdly, how could reforms to allocations assist in the development of the social housing system overall as well as specific sectors? This Positioning Paper provides a conceptual framework, information and ideas to assist stakeholders in developing reforms to social housing allocations.

3 RESEARCH DESIGN AND METHODS

3.1 Research questions

The overall aim of the project is to examine in detail issues around the management of, and possible reforms to, applications/allocations in a multi-provider social housing system. The research will investigate possible ways of improving access to social housing. It is not the intention of the research to recommend a 'model' allocations system, but to inform policy makers and practitioners about possible reforms, the context in which these have been introduced, and issues of design and implementation. This information should assist social housing providers in developing reforms that are appropriate and workable in their own jurisdictions.

The project is timely in terms of informing policy development nationally and within jurisdictions, as well as within and across sub-sectors of social housing. At a federal level, there is an interest in the nature, costs and benefits of program delivery methods and housing management practices, as well as coordination of housing assistance with other federal priorities such as welfare reform. Moreover, there is a growing recognition of the importance of choice as an element of human service delivery. At a state and territory level, there is a good deal of policy work and some piloting of initiatives to improve access to social housing.

The specific research questions are:

- What models of CHRs have been developed and how do they work?

- What evidence is there on the advantages and disadvantages of CHRs that have been piloted or implemented in social housing in Australia and overseas?

- What alternative means of improving the management of applications/allocations are being proposed, piloted or implemented, particularly choice-based systems?

- What are the outcomes of choice-based allocations systems and other reforms to applications/allocations and how do these compare with those of CHRs?

- What policy levers and institutional settings facilitate the development of CHRs or other means of improving access to social housing?

- What other factors are relevant in determining the feasibility of CHRs or alternative reforms to applications/allocations in social housing in Australia?

3.2 Research design and methods

The research design for this project has a strong interactive component, with an emphasis on stakeholder consultation and feedback, and comprises four stages.

Stage one: Scoping and issue identification

To provide guidance to the researchers as to what the principle research and policy issues of concern around allocations reform in Australia are, and to provide a framework to direct the later stages of the research, interviews with key housing officials and representatives from various sub-sectors have been, and will continue to be, conducted across the mainland states. Workshops have been held in Queensland and Victoria, and interviews undertaken with selected officials from South Australia and Western Australia. In addition, policy reports and documentation on previous attempts to set up or consider allocations reform around common waiting lists, choice-based systems or local allocations policies were collected and reviewed. The researchers also had the advantage of discussions with a senior manager from an English housing association who was based at Swinburne's AHURI Research Centre for six months. This person had been a key player in the design and development of a CHR in Norfolk when she worked for a local authority and had then moved to a housing association where she was able to assess implementation and outcomes.

As the research progresses, the workshops will be supplemented by interviews with key policy makers to ensure that the perspectives of Indigenous organisations and providers in regional and rural Australia as well as peak organisations in the community sector form part of this review. These will include phone or face-to-face interviews with policy makers in the jurisdictions where formal workshops are not planned.

It is clear from the preliminary work undertaken for this Positioning Paper that the research topics are sensitive ones, most notably, CHRs. Jurisdictions were reluctant to have workshops that simultaneously embraced both public and community sector representatives. This is entirely understandable. In some jurisdictions there was lingering acrimony from past failures of discussions on CHRs, while in others it was felt that current thinking at the public housing agency level was not sufficiently advanced to facilitate full and frank discussion. Moreover, there is the ever-present fear among much of the community sector that common waiting lists are the thin edge of the wedge in terms of the sector's autonomy. Discussions with the community sector were therefore held separately from those with the public sector.

One of the results from this consultation stage has been an agreed list of questions and issues requiring further investigation (summarised in this Positioning Paper) which will provide the basis for the fieldwork stage.

Stage two: Fieldwork

Through interviews with key informants, this stage will entail detailed investigation of CHRs in development, being piloted or in full implementation, as well as other initiatives to improve access to social housing. This will entail visits to various locations in Australia as well as an overseas field trip. There will be face-to-face interviews with a range of stakeholders involved in the establishment, operation and evaluation of CHRs, including managers and staff, as well as participating housing providers and government agencies with policy and program responsibility for their implementation. The field trip will provide an opportunity to collect documentation that is not published or available on websites and to observe the services in operation, including the software in usage.

A purposive sample of between nine and eleven sites will be visited across England, Scotland and Canada. The sample has been chosen to include:

- Different social housing regulatory systems;
- A range of types of housing markets with varying demand for social housing;
- A variety of CHR models with a diversity of features;
- A mix of capital city, regional city and rural locations.

The models in the sample include:

- Centralised and decentralised models;
- A range of allocations policies and prioritisation methods;
- Differing types of technology and levels of sophistication.

CHRs have been implemented in England since the mid-1990s and therefore are well established and provide an opportunity to examine a mature system. While it has a regulatory basis, implementation has been voluntary in nature and generally driven by local authorities. There is a considerable literature, including evaluative material, on English CHRs. However, the visits will provide an opportunity to interview informants with operational experience of the systems. The emergence of choice-based letting systems over the past five years appears closely associated with CHRs, and this will also be a focus of the research. Locations to be visited in England include London, Bath and north-eastern Somerset, Manchester and Bolton.

The Scottish Executive established a relatively well-resourced Common Housing Registers project in 2001 to actively support their implementation. The implementation

in Scotland is underpinned by regulation but has also been voluntary, albeit actively encouraged by the central agency. The sample sites in Scotland include Edinburgh, Glasgow, Hawick and Perth.

CHRs are mandatory in Ontario and are also required to have a common allocations policy for participating social housing providers. There is limited literature available on the Canadian experience and the study will collect valuable data on the operations and outcomes of this model. The research will include the City of Toronto, and opportunities to include another province are being explored.

Stage three: Analysis, presentation of findings, discussion and further investigations

Information collected from the fieldwork will be analysed in terms of the questions and issues determined in stage one and within the designated framework of analysis as outlined in this Positioning Paper. The key findings will be presented in a series of workshops in the various states to elicit responses, identify sources of agreement or disagreement, and suggest areas for further investigation. Follow-up investigations of specific questions will be undertaken by phone, email and further interviews as necessary. The workshops in stages one and three are a check on the external validity of findings in that the opportunity is created for key participants to provide feedback on their relevance and accuracy.

Stage four: Reporting and resource kit

There will be a relatively short conventional Final Report that summarises the key issues and findings, and a more detailed 'how to do it' resource kit for policy makers and practitioners. This will be an original and innovative contribution as it provides a new way (for an AHURI project) to transmit evidence-based findings to stakeholders.

4 SOCIAL HOUSING ACCESS: CURRENT PRACTICE AND OPTIONS FOR REFORM

In considering options for reform to social housing allocations, we build on the framework developed by Hulse and Burke (2005), which identifies stages in the applications/allocations process that could be, or have been, revised to improve access to social housing. Table 1 shows how these stages currently work in the private rental market (column 2), the public housing system (column 3) and the community system (column 4), and how they could be applied in a social housing mixed model (column 5).

The possible reforms indicated in Table 1 for a mixed model of access to social housing will be the focus of the remainder of this paper. It is important to note at the outset that these are not recommendations of how such a model should work. Indeed, in practice, and as highlighted by international experience, there are many variations of how each component could be applied. They could be distinctly independent components (for example, a number of agencies could have a common database from which they select applicants, but completely separate eligibility and allocations policies) or more than one component could be compulsory for each participating agency (as is the case for CHRs in Scotland which must incorporate a coordinated information service, a common application tool and a common database). There are also different methods by which the components could be managed, for example, some could be contracted out to an external agency with the remaining components managed by the agency itself. The point of this discussion is to highlight that there is no one model for improving access to social housing, but rather a multitude of potential models that need to be explored and discussed before social housing agencies in Australia can determine the relevance/suitability of these reforms to the overall system, and their agency in particular.

Let us begin by considering potential reforms that could be implemented at the various stages of the applications/allocations process in Australia, using the stages outlined in Table 1 as our framework for organising this initial discussion. Subsequent chapters will look more closely at many of these reforms, specifically in terms of how they have been implemented in practice. The discussion has been structured in this way as it will be very useful before we start discussing in detail such reforms as CHRs and choice-based allocations systems to actually define the various components of the process as, even in the literature, the distinctions between them can often be quite confusing, which could partly explain why discussions around potential reforms to the social housing system have not progressed far to date. Material for this section has come from the synthesising of policy reports and limited academic literature, the workshops and discussions with housing providers.

Table 1   Current models of access to rental housing in Australia and options for reform

Specific component	Private rental (market access)	Public housing (bureaucratic access)	Community housing	Options for reform: Social housing (mixed model)
Choice of provider	Many providers in competition with each other	One dominant provider (public housing agency)	Multiple providers	A number of providers with negotiated, cooperative working arrangements
Information provision	Onus on households to access information on options generally and specific properties available	Onus on public housing agency to supply information about its services and how to access them	Onus on each agency to supply information about its services and how to access them	Coordinated information on social housing provision and means of access
Registration/application	Households can list with multiple landlords or real estate agents and apply for particular properties	Households make a general application for housing with the provider	Households make a general application for housing with the provider	Common application for access to social housing – could include specification of preferred provider(s)
Eligibility	Verification of income, assets and credit rating and check on prior tenancy history, often for each property	Verification of income, assets and other factors and check on prior tenancy history for all properties	Verification of income, assets and other factors and check on prior tenancy history for all properties	One point for assessment of eligibility – could include assessment against criteria of different providers OR a common eligibility policy
Assessment	Applicant assessed on formal eligibility criteria, but also informal assessment based on household type, race ethnicity, age, occupation	Assessment based on formal eligibility criteria, but also on potential needs for support, e.g. mental illness, debt levels	Assessment based on formal eligibility criteria, but also on ability to participate in management and potential needs for support, e.g. mental illness, debt levels	Common assessment tool for all relevant housing providers and may extend to other agencies, e.g. homelessness, family violence
Waiting list management	N/a	Managed by public housing agency	Managed separately by each agency	Common database of housing applicants across providers OR a common waiting list

Specific component	Private rental (market access)	Public housing (bureaucratic access)	Community housing	Options for reform: Social housing (mixed model)
Household choice	Households trade off price (rent level) with type, size, quality and location of housing they want. Capacity to do this depends on household circumstances and income	Households trade off anticipated waiting time with type, size, quality and location of housing, but not its price. Capacity to do this depends on household circumstances and urgency of 'housing need'	Households trade off anticipated waiting time with type, size, quality and location of housing, but not its price. Capacity to do this depends on household circumstances and urgency of 'housing need'	Provision of sufficient information to enable informed choice\nHouseholds able to apply for particular properties as designated for specific household types or types of applicants
Order of access to housing (ranking/ priority)	Assessed individually for each property	Ranking of all applicants according to 'housing need', based on established state-wide criteria	Ranking of all applicants according to 'housing need', based on agency specific criteria	One point for ranking of applicants – could include assessment against policies of different providers OR a common ranking policy
Matching households and properties	Household decides which properties it wishes to bid for – many bids possible	Detailed criteria determine type/size of housing to be offered – very limited offers and refusals	Detailed criteria determine type/size of housing to be offered – very limited offers and refusals	Choice-based systems with properties labelled for specific household or applicant groups OR a common matching policy
Consideration of neighbourhood impact	Limited	Varies – some local discretion	Typically local discretion as most community housing is locality based	Explicit system for approving, implementing and monitoring local allocations policies for designated areas
Responsiveness to local sub-markets	Households can choose between sub-markets, subject to budget constraints and availability	Varies – but limited local discretion in adjusting allocation principles to the specifics of local sub-markets	As most community housing is locality based, allocations reflect specifics of local markets	Explicit system for approving, administering and monitoring allocations policies in a way which is sensitive to local sub-markets

Source: Adapted from Hulse and Burke (2005: Table 8.1, p. 74)

4.1   Choice of provider and information provision

As previously discussed, the Australian social housing system is a multi-provider system, with each provider managing the applications/allocations process. Therefore, when presenting for housing assistance, a household is in essence applying to one provider at a time; to be considered by multiple providers, the onus is on the household to apply to each one separately. However, the difference in scale of the public sector relative to the community sector and their different histories means very different awareness of the providers. As Burke, Neske and Ralston (2004: 11) found in a survey of nearly 1,500 public housing applicants and 1,500 Commonwealth rent assistance recipients who were eligible for public housing, only 17.9 per cent knew of the existence of community housing providers, and a high proportion of these had no information about such organisations or how to apply.

In order to make social housing easier for applicants to access, particularly in terms of heightening awareness of the numerous options that are available, housing providers within a region or sector could implement some form of coordinated information service. This would likely entail providers distributing to applicants who present at their agency information and details of other housing agencies or services located in the coordinated information service area. This could incorporate public, community, affordable housing and private rental options.

It is unlikely that such a reform would be implemented on its own, as the benefits to both the provider and applicant are limited in terms of outputs. If a provider was to simply distribute information regarding all other providers in the area, possibly in the form of brochures, without any sort of screening as to the applicant's likely eligibility (the most basic form of a coordinated information service), the applicant would still encounter many of the same obstacles as currently. Although a major benefit would be having access to more potential housing providers, simply by being made aware of options of which they may have previously been unaware, the responsibility would still remain with them to assess each one individually for appropriateness, to make contact with each of them and to fill out an application form.

One way to address these limitations could be to expand the coordinated information service to assist applicants in determining their eligibility for other providers once they have been assessed at the initial agency. However, this would increase the workload of staff in terms of assessing the application against the criteria of various providers and would also require some form of training in how to do so. Obviously the question that arises immediately is: who would support this service? If most applicants are accessing the system via public housing, is it equitable that this agency carries the cost in terms of staff time, or vice-versa if an applicant contacts a community housing agency?

Due to the very nature of the Australian social housing system, it is not unlikely that within the coordinated information service area there could exist a large number of very small community providers, all with different eligibility policies; the expectation that workers, whilst still dealing with all other aspects of their workload, know about each of these options and have the time to assess them would appear impractical. In this situation, consideration could be given to setting up a central office that specifically deals with all enquiries for social housing in the area and provides assistance with the criteria and policies of the numerous providers. Not only does this have the obvious benefit to the applicant of being able to access considerably more information in a 'one-stop' service, it would also free-up agencies from having to deal with multiple enquiries. Again, issues concerning the source of funding are a major consideration.

In Western Australia, where there have been discussions around common entry points for the social housing system for some time now, it has been argued that a coordinated information service across the public and community sectors would not in itself solve the issue of increased access to social housing as, due to the large number of community housing providers, significant barriers would still exist for applicants in accessing a 'sizeable proportion' of this housing (Eringa 2001: 2). It is therefore not

surprising that, where housing agencies have moved to some form of coordinated information service, this has been located in a wider framework such as a CHR. Such a service may also require greater compatibility of management information platforms than currently exists.

4.2　Eligibility

In this section we are referring to the criteria that determines who is eligible for housing assistance, for example, based on income, household type, etc., and who is ineligible, which could include such factors as assets, non-residency, prior debts or prior anti-social behaviour. Similar to the registration of applicants, these criteria are currently determined by each provider according to their particular objectives.

Implementing a central point for the determination of eligibility across the sub-sectors of the social housing system has the potential benefit of improving access as applicants would only need to approach the one service point in order to obtain information on the eligibility requirements of each provider in the area. Ideally, applicants would complete one registration form (some sort of common application tool), which could then be entered onto a database, indicating all the housing providers for which they are eligible. Not only is this an efficient way of ensuring that applicants have the best possible information about their options, but it also removes the necessity for them to contact providers individually as, once their eligibility has been determined, the database could be accessed by providers (also saving time as the applicant's eligibility has already been determined) who could then contact the applicant to arrange an interview if required, or this could be done by the central agency. Similar systems for determining eligibility for social housing are currently in use overseas, usually within the framework of a CHR or choice-based letting scheme.

A more wide-ranging reform is the implementation of common eligibility criteria, meaning that all applicants are assessed for their eligibility according to these criteria, although agencies still allocate according to their own policies. The benefits include a social housing system that is more transparent, less open to potential bias on the part of providers, and easier for applicants to understand and navigate. However, this is controversial, particularly in terms of the effect it could have in excluding specific groups from all forms of social housing. In the current system, this is not so much of a problem, as a group not eligible for one agency's stock could still be housed by another with different eligibility criteria. However, by targeting eligibility so that only certain groups have access to the total stock of social housing (that is, those who fit the common eligibility criteria), 'the worst case scenario is that exclusion from all forms of social housing could mirror coordinated black-listing in the private rental sector' (Hulse and Burke 2005: 58). Such targeting also has potential implications both for community sustainability and for the long-term viability of housing providers, particularly if eligibility continues to be targeted to those in greatest need. Nonetheless, common eligibility reforms have been introduced in some social housing systems overseas, usually in conjunction with a common waiting list (see Section 4.5).

4.3　Assessment

Related to eligibility, assessment is more complex and is as much about risk management for clients and agencies as about making client access easier. This is a stage that is potentially more important in the Australian context than internationally, which is perhaps one reason why it does not figure in the international housing reform literature, although it is very strong in health and other human services (Wolper 2004).

Agencies in a number of Australian jurisdictions are more highly targeted than their equivalents in other countries. Eligible applicants are likely to have been homeless and/or be experiencing highly complex needs and thereby are likely to have connections to other human service agencies, whether government or third sector. The issue here is not just one of applicants having to search around housing agencies, but also one of having to provide documentation to multiple other agencies, e.g. health, domestic

violence, or drug and alcohol addiction. At the moment there can be highly inconsistent intake and assessment practices for people who are homeless or have complex needs, requiring unnecessary repetition of assessment and data collection.

However, such assessment is required in transitional or long-term housing to determine the degree of support which people might need and therefore the degree to which they may be able to sustain a tenancy. This is a risk management issue dictated by highly targeted systems. What it raises is the degree to which a common assessment tool is required, not just for assisting clients to move through the system, but to ease their task in connecting to support agencies. This is perhaps even more difficult than achieving common eligibility within the social housing sector as it involves issues of privacy, integration with non-housing information systems and coming to agreement on the elements of the assessment tools.

The registration process may be seen as a specific stage of assessment, in this case related to application, and is discussed further below.

4.4   Registration/application

Improving the management of applications/allocations within the Australian social housing system, and access to housing, could mean implementing a common application tool (CAT) to deal with the registration of all applicants. Currently, this process is coordinated by each agency. Similar tools are in use in other areas of the human services (generally referred to as 'common assessment tools'), particularly in health services, such as drug related services (Turning Point Alcohol and Drug Centre 2000), or are being investigated for implementation across service settings, such as aged care (Australian Institute for Primary Care 2004). The Metropolitan Health and Aged Care Services Division (2005) in Victoria views such a tool as having 'the potential to improve service coordination, minimise the duplication of assessment and support a more integrated approach to client management'. In Ontario, a common assessment tool introduced within Community Care Access Centres was promoted as having the potential to make the process 'more thorough, comprehensive and consistent' (Community Care Access Centre 2002: 7). It is this consistency of information, minimisation of duplication and provision of a clearer picture of housing need across the system by documenting who it is exactly that is applying for social housing that makes a CAT a potentially very important reform within Australian social housing.

For our purposes, a CAT is distinct from the other components of the applications/allocations process listed in Table 1 as there is no requirement to have a common database of applicants, a common waiting list, common eligibility criteria or common allocations policies. Of course, depending upon the CAT's aim, it could include some or all of these, but they are not essential. However, one essential component is a set of common questions that are asked at the point of registration/ application across all the participating agencies/sectors. The benefits of such uniformity are that it can provide a safeguard to ensure all important elements of an assessment are consistently collected, it minimises subjectivity, it establishes a common language that permits communication across agencies, and it makes it possible to develop databases of client functioning over time, which can support agency practice as well as management, evaluation and research (Geron 1997: 5). However, over and above this core component, there are many variations of CATs that could be applied.

CATs and the Australian social housing system

Within the Australian social housing system, a CAT could be implemented across all sectors (from public housing agencies right through to crisis housing) or across some sectors (say, crisis and medium-term housing) or within each sector (one for crisis housing, one for medium-term housing and one for long-term housing).

Essentially there are two main aims for implementing a CAT: the streamlining of the registration process, and the performance management of the social housing sector.

These two aims are not co-dependent and it is possible to have one without the other, according to the aim of the particular CAT. For example, it is stated quite clearly in the Victorian Alcohol and Drug Treatment Services 'Specialist Assessment Form' that this tool 'is not an information collection instrument for any administrative or service monitoring purposes such as client registration or data entry into…information systems' but rather has the main aim of ensuring consistency in the assessment of clients across the various agencies (Turning Point Alcohol and Drug Centre 2000: 1).

Registration process

In terms of housing registration, a CAT could enable a more consistent and streamlined process for both users and administrators, either because the data could be shared between the sectors or because the CAT itself is used across the sectors. Either way, one major benefit is that duplication in the application and registration process could be minimised. Furthermore, considering that social housing has become, and is continuing to become, more targeted in allocation to those in greatest need, a CAT would allow applicants to apply to more than one provider at the time of application, increasing their housing options. However, with an increase in the ability of applicants to apply to more providers comes the possibility that the demand for social housing could be overstated, unless clear processes are implemented to account for this.

Performance management

In terms of performance management (either within or between sectors), a CAT would allow for a profile of who is applying within the system, a profile that is not currently available, which in turn would provide a clearer picture of housing need in Australian jurisdictions and the differences, if any, between them. For example, it could ask common questions regarding, say, mental illness, health or debt that could be used to build a profile of applicants across the sector. Theoretically, such data could also be used to track movement into, within and out of the system, by giving providers the ability to track a client's progress over time and, further, to compare progress across client groups with similar needs/challenges (Community Care Access Centre 2002: 7).

Potential issues of CAT implementation

The introduction of a CAT could raise many issues, particularly in terms of information sharing. Concerns that would need to be addressed include the ethics of sharing personal information between organisations, gaining consent from clients for this to occur, and privacy issues surrounding confidentiality of personal data. For example, an applicant could specifically request that they do not want a particular agency to have access to their information (for example, due to a history of arrears). If information were shared automatically, the client would lose control over this. Principles would need to be developed that protect the privacy and confidentiality of all information collected, as is the case with the Victorian Alcohol and Drug Treatment Services 'Specialist Assessment Form'. Privacy principles in this instance have been developed by the Department of Human Services, and attached to the tool is a 'Release of Information Authority' that requires client consent before any of their information is released to another specified source for a specified purpose (Turning Point Alcohol and Drug Centre 2000).

Another potential issue concerns management costs. For example, if one agency is conducting the initial interviewing and then sharing the information with other agencies, it is the first agency that is incurring all associated costs, whilst the subsequent agencies are, in essence, receiving this information free of charge. One solution could be to contract out the application process to a central agency, with each participating organisation paying a service fee towards administration costs, as in Toronto.

Furthermore, as previously indicated, a CAT does not necessarily mean common eligibility. Therefore, if each organisation still had its own eligibility criteria, the end tool could be particularly large. For example, it could ask 20 common questions that would be geared towards building a profile of people entering the system. On top of this, each

organisation would add more questions to address their particular eligibility requirements. However, a counter-argument is that, although initially this system would create a greater burden for the applicant in terms of time commitment, in the long run the CAT should save time as there would be no need to repeat this core information for each organisation.

4.5 Waiting list management

Under the current system of applications/allocations in Australia, public housing agencies manage central waiting lists; in community housing agencies, where waiting lists are maintained, they are managed by each provider. Implementing a common list across sectors or within the community sector could improve access to housing for clients by enabling a single point of entry for both public and/or community housing and, in areas with lower demand, enable providers to fill their vacancies more efficiently as they would have access to more potential tenants:

> A common waiting list or social housing register can be described as a common database of applicants for social housing that can be used by a range of providers when filling vacancies (Community Housing Coalition of WA 2004: 2).

Common waiting lists and social housing registers are widely used overseas, particularly in Canada and the UK. Once again, as there are many configurations that could be implemented, it is necessary to make some sort of distinction between the two models so we know which we are referring to in subsequent discussions.

For our purposes, a social housing register is a common database of applicants who have applied to different providers for housing, usually within a defined geographical area. Agencies can access the database and select applicants for vacancies according to their own eligibility/allocations policies. In other words, the database can be thought of as a tool that can create *many* waiting lists according to the policies of the landlord for which the vacancy arises. Alternatively, the social housing register could be used as a management tool only, that is, a database of all applicants for social housing which for administrative purposes measures housing need and addresses the issue of duplication (when used for this purpose, such a register should not be confused with a CHR which must also have, as its core components, a coordinated information service and a single application form, in addition to a common database).

A common waiting list, on the other hand, does require some form of common eligibility criteria and, we would argue, a common ranking policy to be able to order the list in some way. This could take the form of a quite broad set of eligibility/ranking criteria that the participating agencies agree to as minimum requirements, to which additional criteria could be applied by individual agencies, or a tighter (common) set of eligibility/ ranking criteria (noting that, depending upon which model was used, there would be quite different effects on the size of the resultant waiting list which, in turn, has consequences for the management, and accurate reporting, of housing demand). In other words, a common waiting list is *one* list of housing applicants who are deemed to be eligible for all participating landlords and will be ranked according to the one policy.

In summary, a social housing register does not require common eligibility criteria or a common allocations policy. Indeed, the register could have common eligibility criteria and still be, by definition, a social housing register. However, once the database has both common eligibility criteria and a common system for ranking applicants, it then becomes a common waiting list. Having made that distinction, Chapter 6 will examine in greater detail the issues around social housing registers, whilst the focus of the remainder of this section will be on common waiting lists.

In Australia, discussions around a common waiting list across both the public and community sectors have been happening for some time now although, admittedly, with concerns about how exactly it would be implemented and whether the advantages outweigh the disadvantages. The Community Housing Coalition of WA (2004: 3)

believes that the rationale behind the implementation of a social housing common waiting list in that state centres around four key areas:

- Improved customer service

    o Applicants would be able to access a single point of entry into public or community managed housing;

    o A common waiting list may mean more consistent and equitable treatment across the providers, and would end perceptions that some applicants can effectively jump the queue or be housed via an accelerated route due to personal links or excessive lobbying to community agencies.

- Improved customer choice

    o Through a CAT, applicants would be eligible and considered by several housing providers in their area of preference;

    o Under a system of separate waiting lists, applicants cannot maximise their options/choices fully unless they register with every provider. Not only is this inefficient, but it disadvantages applicants with a lower skills base.

- Improved consistency

    o With the social housing system increasingly being targeted to those in greatest need, a common waiting list and application process would ensure that eligibility criteria is consistently applied across the whole social housing system in Western Australia.

- Improved data accuracy

    o Currently there is no data sharing between agencies to avoid double counting where applicants register with more than one provider. This duplication leads to an exaggeration in the number of applicants for social housing, meaning that an accurate assessment of demand is not possible.

However, the paper continues by questioning not only whether a common waiting list is the best way to achieve these objectives but whether, in fact, it may 'impact negatively on both clients and providers', for example, through taking away the 'valuable safety net' provided by community agencies that may house urgent need applicants not eligible for public housing (due to an outstanding debt), which may result from a common eligibility policy, and also by diminishing the 'diversity and local flexibility' provided by the community housing sector, which may result from a common allocations policy. There are also more practical concerns regarding the infrastructure needed to support a common waiting list, such as IT systems, and the benefits versus costs of implementing such systems (NSW Federation of Housing Associations 2000).

4.6 Household choice

One main consequence of increased targeting of social housing, particularly in the 'one size fits all' model of allocations in public housing, has been reduced choice for applicants. Historically, agencies have established parameters in terms of nominating a broad area and type of accommodation. The amount of choice given to applicants will vary from agency to agency, although there has generally been minimal choice when applying for public housing whilst the community sector has often provided more choice (for example, through allowing a greater number of refusals). Nonetheless, the scope for household choice in either sector, both in the past and currently, could be considered negligible.

Regardless of this nominal level of choice in the Australian social housing system, interviews with program managers and policy workshops conducted by Hulse and Burke (2005: 61-2) indicated that:

In some cases, allocations systems were still regarded as quite 'generous' in enabling applicants to state their zone of preference and accommodation type. Providing more choice for households was seen as very difficult and even a 'luxury', owing to pressure of demand.

These findings are in contrast to the trend overseas of introducing more choice into the allocations process. Such initiatives include advertising vacant properties in the Netherlands and 'choice-based lettings' schemes in England and Wales (both of which were explored in detail by Hulse and Burke 2005). Suffice to say at this point of the discussion that, in order for households to exercise choice, it is imperative that they are provided with sufficient information to enable them to make an *informed* choice. This could include up-to-date information on the social housing stock in their area(s) of preference as well as information on the number of lettings in previous years (that is, how often vacancies occur), so that they can assess the likelihood of being offered housing of their preferred type in their chosen location (Mid Sussex District Council and Downland Housing Association 2005: 8).

4.7   Order of access to housing

This stage of the allocations process is where agencies determine the criteria for ranking eligible applications in terms of the order in which households will access housing, for example, by urgency of needs, a lack of other options, or support needs. Currently in Australia, each public housing agency and each provider in the community sector has the capacity to have its own ranking policy, and the sorting of eligible households into the nominated categories as determined by this policy is managed by the particular agency to which the household has applied.

Similar to other stages of the applications/allocations process that could in theory be managed from a central point of administration as previously discussed, such as the information, registration and eligibility components, the ranking of applicants could also be managed in this way. However, this has undergone more substantial reforms overseas where some agencies have implemented common or joint allocations schemes where all participating agencies 'allocate housing according to identical principles', which can include identical principles of eligibility, ranking/priority and procedures for matching households to properties (Mid Sussex District Council and Downland Housing Association 2005: 2). In this section we are specifically referring to 'common ranking policies', and in the next section we will look at 'common matching policies', both of which are usually discussed under the broader framework of a 'common allocations policy'.

Theoretically, the implementation of a common ranking policy would be achieved through pooling and reviewing the existing policies of all agencies who will be participating in the common policy to develop a 'best fit' model of priority ranking (Association of London Government et al. 2004: 27). In a situation where the participating agencies have previously undertaken the ranking of applicants by a points-based system, this would involve pooling the points awarded by each agency (for example, according to their maximum points value) and arriving at an average for each factor that would then be used to award points in the common ranking policy. Of course, not all agencies will award points in exactly the same way for the same factors, for example, standards may vary as to what constitutes 'overcrowding', and these definitions would also need to be agreed upon.

Perhaps more importantly in the Australian context, common ranking policies can also be implemented in social housing markets where points-based systems are not used. 'Locata', the West London choice-based lettings scheme comprising five local authorities and three housing associations, has agreed to a 'common allocation scheme' that groups eligible applicants into four broad needs-based bands: band A (emergency/top priority), band B (high priority), band C (reasonable preference or identified housing needs) and band D (everyone else). Priority within the bands is in date order, and all points-based systems have been abandoned (Centre for

Comparative Housing Research 2002). It is believed that the scheme has 'opened up the possibility for those without priority housing needs to access housing that they wouldn't have been able to under the previous points-based system' (Thorp 2005: 1). Alternatively a common ranking system could, at its most basic level, rank applicants by date of registration but with the capacity to single out those in greatest need, for example, those with 'special priority' status as is the case in Ontario.

A major concern often raised in relation to common ranking policies is that, by not allowing organisations to have their own policies, there could be a loss of independence and identity, that is, a loss in the ability to 'provide a service in accordance with their philosophy and objectives' (Hulse and Burke 2005: 58). Nonetheless, these policies deserve attention as a possible reform for improving access to social housing in Australia particularly because of their potential for increased consistency and transparency in the allocations process.

4.8   Matching households and properties

In Australia, the matching of households to properties is usually determined by agency criteria that explicitly state the size and type of accommodation that is suitable for different household types, with a very limited number of offers and refusals, particularly in the public housing sector. However, as previously discussed, there has been a trend overseas towards incorporating more household choice into the process. The Joint Housing Allocation Scheme operated by Mid Sussex District Council and Downland Housing Association (2005: 8) in the UK is one such example where an allocations scheme has a strong focus on household choice at the 'matching' stage:

> We are therefore committed to taking into account the preferences expressed by Applicants when we decide on what accommodation they are offered and to providing Applicants with relevant information about the housing stock available in the District so that they can make an informed decision about their preferences. We will not normally penalise Applicants who refuse an offer of accommodation, and will respect their right to wait longer for an offer they prefer.

In this scheme, the preferences expressed by applicants can include location, type and size of accommodation, as well as who they wish to have as a landlord. Therefore, applicants will only be offered housing in the location they specify and by the landlords they select, whilst their preference for choice on type and size of housing can be exercised via refusals of accommodation (usually with no penalty). A point to note about this scheme is that it is a joint allocations policy between the two landlords, with both agencies matching households to properties according to the same guidelines, which has facilitated cross-borough moves since the partners have been able to pool some available properties (Thorp 2005: 1). This capacity for movement across boundaries, particularly between areas of high and low demand, and greater ease of transfer for existing tenants are cited as positive features of a common matching policy.

Similar to common ranking policies, common matching policies have also been gaining momentum overseas, particularly in the UK, albeit to a lesser extent (Although a group of agencies could have a common ranking policy without a common matching policy, the latter would always be implemented in conjunction with the former. If in addition to these two components there were also common eligibility criteria, the agencies would effectively have a 'common allocations policy'). Like common ranking policies, they are a controversial reform, with a concern that agencies' autonomy can be severely compromised by the adoption of common matching policies, and that the standardisation and equity in treatment provided by common allocations policies have to be weighed against the discretion that might be needed to make a sensible allocation. However, this concern can be addressed by the partners of the common policy agreeing to a 'shared policy' for the initial short-listing of applicants, with the ability to re-order the list according to their own policy when an offer arises (Scottish Executive 2004: 49). For instance, if the area encompassed by the common matching

policy is quite large, it has been found that it is important to maintain 'sufficient flexibility' within the policy framework to 'accommodate different local circumstances and relationships' (Pawson and Mullins 2003a: 6), which will be discussed in greater detail in the following section.

Another twist on the matching process is provided by choice-based lettings. Here matching and eligibility come together at the individual property level. While the administration process varies from agency to agency, broadly any vacant social housing properties are advertised, with eligibility being defined by a particular type/size of household or other criteria, and a household is selected from those who put their name down and meet the eligibility criteria. If there are a number of similar applicants, those highest on the waiting list (common or otherwise) are allocated the property.

One of the concerns here is that certain types of households will miss out on the opportunity for allocation, as eligibility is defined by the attributes of the stock, e.g. singles may miss out if most of the stock which comes up is two and three bedroom units and the specified criteria are for multiple member households. The other potential problem, given it is a choice-based system, is that it could accentuate racial or ethnic polarisation if particular groups choose to apply for properties only in certain locations. The cumulative effect of many successful applicants from the same ethnic group being accommodated is an 'over-concentration' in the one area or location, However, it could depend on how the system is administered (e.g. quotas could be set). The advantage of such a system is that it opens up opportunities for households from any ethnic group to locate elsewhere. Under current systems, housing officers may use informal criteria to allocate members of an ethnic group to areas where there are many other members of their community.

4.9   Consideration of neighbourhood impact

Due to the largely 'one size fits all' model of allocations systems, there has been little flexibility for providers to be responsive to differences in local housing markets and to consider the impact of allocations on local communities. Questions that have been raised in response to the increase in targeting to households in greatest, or with special, needs, and the possible effects and outcomes on neighbourhoods, include:

- Does targeting contribute to neighbourhoods being economically or socially disadvantaged?

- Does targeting contribute to high tenancy turnover, neighbourhood disputes and stigmatising of social housing areas?

- What are the impacts of using state-wide criteria to allocate properties in areas that differ substantially in terms of local housing and employment markets and the demand for, and supply of, social housing? (Hulse and Burke 2005: 61)

In an attempt to make allocations systems more considerate of the impact on local communities, some agencies have established situations in which different criteria (to the main allocations policy) may apply, such as in areas of high or low demand or in community renewal areas. These 'local allocations policies' are increasingly being introduced in social housing systems, particularly in the UK and to a lesser extent in Australia (see Section 7.2).

4.10 Responsiveness to local sub-markets

Many public housing agencies are experiencing policy and management issues that derive from changes in both private and public housing sub-markets (although there is a problem in using this term for a non-marketised housing stock).

Wider changes in Australian economy and society as mediated through private housing market dynamics are impacting on public sector housing. In the private housing market, there are increasing variations in price, availability (particularly of low cost rental stock), concentrations of low quality stock, and diversity of stock. Given that most Australian

public housing is scattered throughout the private sector sub-markets, it is also affected by the same drivers and variations in performance.

On the other hand, in the public sector there are uneven demand pressures, supply shortfalls (or in some cases surpluses), dwelling quality problems, differential market values (a result of private market outcomes) and variability in the social sustainability of public housing areas. Significantly, the diversity of performance across the sector is increasing. This is partly a function of ageing and inappropriate stock and of an increasingly diverse and complex client base.

The recognition of the widening private and public sub-market performance raises questions about the role of allocations in addressing or responding to this problem, and the relevance, most notably for public housing agencies, of 'one size fits all' policies. Should and how can allocations be used as a mechanism for addressing the problem of differential sub-market performance is an issue both for this research project and policy consideration.

With this framework behind us, we can now move on to looking at the four major reform areas in greater detail, drawing out some of the more specific issues of debate, together with administrative and management implications and examples of what is being done around Australia.

5   COMMON ASSESSMENT FRAMEWORKS

In the South Australian Department of Human Services' *Family Homelessness Discussion Paper*, the issue was raised of how to strengthen the 'effectiveness and capacity of the sector to assist homeless families by establishing a more coherent service system approach'. A key area for consideration was a 'common assessment model' where each SAAP agency would employ a standard, or common, approach to assessing each homeless family and then refer them to an appropriate service. There would still be multiple entry points into the system (each SAAP agency) but 'potential clients will be adequately assessed and speedily directed to the appropriate service that meets their particular needs' (Stephenson and Hume 2001: 43).

In Victoria, the Office of Housing is currently developing a statewide framework for common homelessness assessment and referral. In a related piece of work, the Melbourne Eastern Metropolitan Region is piloting a 'front door' common assessment model for access to all its homelessness services. Development work on 'front door' responses is proceeding in other select metropolitan and country regions. These improvements in tools that support service delivery are linked to a project to develop a common set of homelessness data definitions, which will be implemented in Victorian SAAP and transitional housing agencies.

Other states such as Queensland and Tasmania are also in the process of restructuring the way in which homelessness services are offered, but Victoria has definitely made the most progress. The Victorian model is not only a common application form for the registration of clients presenting for homeless services, but an overall framework that includes such variables as a priority setting, a quality framework and an assessment framework. In other words, the aim of the framework was to set the principles, objectives and priorities for the common assessment of clients.

The homelessness assessment referral framework has multiple functions, which include the following.

- Service point rationalisation

A key aim of the Victorian Common Homelessness Assessment and Referral Framework, and a rationale for its inception, was to reduce the entry points across the Victorian homelessness system (from over 400) and create 'front doors' that would manage most aspects of the process, such as client assessment and referral. The aim is to ensure that clients access the most appropriate service for their needs and at the earliest possible point. In addition, the configuration of the 'front door' system in one of the trial sites located in the Eastern Metropolitan Region has integrated housing and support packages for clients. A further aim was to address the disjunction between the sectors, such as between the transitional and crisis sectors.

- Resource allocation

Another main rationale for the initial discussions was how to rank people presenting for assistance against the services they need in the most effective way, in turn streamlining the resource allocation process.

- System performance management

System performance management relates to improving performance overall, for example, by addressing and removing double-counting. It is not to be confused with individual worker performance management. Although it is acknowledged that such a framework could also be used to assess the performance of individual workers, this is not within the scope of the Victorian framework.

- Service linking

The framework has established a link between homelessness services and other related services, such as health, family violence and criminal justice, again to streamline the application process for the client.

- Risk assessment

The Eastern Metropolitan trial is using risk assessments of clients as a means of improving the comprehensiveness of case management. Although not in the scope of the Victorian framework, risk assessment could also be used as a way of measuring the personal risk of people dropping out of the system.

- Common system referral

Located within the overall framework is a CAT for the registration and referral of clients. Although its aim is to ensure consistency of registration across the homelessness sector, it can also transcend the boundaries of social housing, as assessment under this tool could recommend that the best course of action for the client is to be assisted into the private rental market with a support package. In the Victorian framework, the process for developing a common registration tool involved collecting all the existing registration tools from the agencies in the area (approximately 12), isolating the core data that was common to all, and identifying, and then either negotiating or removing, the policies that were only common to a small number.

- Information provision (research data)

To facilitate a common assessment framework, there needs to be an appropriate client data base. A 'data dictionary' is an administrative data collection service that enables the implementation of a data set across the entire homelessness sector. Its aim is to track observations (that is, de-identified individuals based upon their name and date of birth) through the homelessness and (potentially) housing systems. Data collection requirements include determining the extent of churning within the system, identifying where the system is getting blocked up and, in relation to clients with high needs, determining if services are deliberately excluding them.

5.1　Implementing a common assessment framework

In terms of implementation, it is essential when starting the process of moving towards a common assessment framework that each part of the current system is identified, separated and defined. In other words, before it is possible to arrive at anything that is 'common', there is a need to be clear about what exactly is involved in the eligibility process, the allocations process etc. The Scottish Executive (2004: 88) provides a checklist of issues to consider before drafting a common application form, which also applies to the development of a CAT which incorporates a common form across agencies/sectors:

- What data do you intend to collect?

This will involve comparing the information required for each policy of participating agencies.

- How and when do you intend to collect this data?

Will all data be collected from the one comprehensive form or will some be collected later by individual agencies, for example, to verify information before making an offer?

- Who will collect this data?

Including, who will process the data once collected?

- Why are you collecting this data?

Ensure that the data collected is relevant to all, or most, agencies.

There are other implementation issues that arise in relation to a common assessment framework apart from data collection issues. These include: the requirement for common philosophical approaches between agencies; that basic service system knowledge held by workers must extend to all agencies within the system; and the need to build and maintain trusting relationships between all the agencies involved in order to maximise service outcomes and quality for those assisted. In Victoria, issues such as these are being addressed as part of the development of the Common Homelessness Assessment and Referral Framework.

The implementation of a common assessment framework is likely to be a lengthy process, taking up to three to four years, although this could possibly depend upon the area. In Victoria, the pilot in the Eastern Metro region was relatively good in terms of timeframe, but it is expected that the inner city region will be much more problematic, in large part due to the multiplicity of providers. Although the framework within Victoria is regionally bound, there have been discussions about making it a state-wide tool in the future. In fact, discussions were held regarding a state-wide common vacancy register, but this was decided against for the initial stage of the process.

The implementation of the framework in Victoria was also confronted with agency issues. Although most agencies agreed in principle that the framework was a good idea overall, and specifically from a client perspective, they were used to dealing with the process in-house and were now faced with the requirement to take the assessment of a central agency as to who would be placed in their stock. It has been reported by the Victorian team that a common question to arise was, although the rationalisation of the process is beneficial, 'Can't we still decide who receives our services?' Perhaps unsurprisingly, it was also reported that it was difficult to obtain the agreement of CEOs from various agencies.

5.2 Implications of a common assessment framework

Unlike the current trend overseas towards more choice in housing allocation, particularly in the UK, the common assessment framework of the Australian homelessness sector appears to be moving in the opposite direction towards a more paternalistic framework. Rather than introducing an element of choice or even participation, it places the client as a passive receiver of services, with the provider assessing clients to decide which category they fall into, which services they need and, indeed, which services they can even access. It could be argued that the system is considerably more driven by the needs of the organisation than by those of the client, although this is somewhat offset by the efforts of the Victorian homelessness sector to respond from a rights-based understanding of homelessness and to work with each individual to tailor solutions. Good intake practice is based on accurate presentation of options to clients and supportive assistance to empower client choice. The Victorian Common Assessment Framework is being developed to reduce the number of times that people must 'tell their story' in order to receive assistance and to ensure that the designated 'front door' agency takes responsibility for thoroughly responding to each client's needs.

Another issue is whether housing should really be a part of a wider health system. As we have seen, one aim of the framework was to link housing services to others such as health, family violence and criminal justice. With the use of a CAT within this model, many clients may be asked a series of questions relating to other areas, such as health, when all they really need is housing. Will this deter people from applying for services, or even 'choke off' demand in the homelessness sector?

As a tool being utilised within the homelessness sector, the common assessment framework should work well in terms of consistency and comprehensiveness of content, but such a model does raise questions as to its suitability and applicability if it was extended to other sectors, such as public housing. In its current application, the form is a common one for all services. The issue here, particularly if applied to other sectors, is whether the tool gathers all the required information in a comprehensive

manner and, if not, whether it is possible for providers to use an agency-specific tool 'of an equivalent quality' in certain circumstances to gain additional information, as is the case with the Victorian Alcohol and Drug Treatment Services form (Turning Point Alcohol and Drug Centre 2000: 1).

This linkage between service departments also raises issues about individual privacy and the exchange of information between agencies.

6   COMMON HOUSING REGISTERS

In Australia there have been discussions around common housing registers (CHRs) for some time now but these have not progressed far, despite the problems with the current multi-provider system as discussed in Chapter 2. CHRs have been heavily promoted in Scotland, and to a lesser extent in England and Wales. In Ontario, centralised waiting lists for social housing providers are compulsory. Like Australia, these regions all have multi-provider social housing systems, and CHRs have been encouraged, in the main, to enable more coordinated access within these systems.

Before we begin any discussion around CHRs, we need to be clear about what exactly a CHR is, and here we run into problems as a CHR is not one simple management tool. There can be multiple models, depending on the degree to which providers sign up for the different modules or components in the allocations process, although a major requirement of any model is that there are partnership arrangements between social housing providers operating within a locality. At its most basic level, the Scottish Executive (2004: 23) defines a CHR as:

> A group of landlords devising a single application form by which anyone seeking housing in their area can register their need, and specify their housing preferences. Participating landlords then prioritise and select applicants from the single pool of applicants according to their own allocations policy.

The key elements are a shared housing and information advice resource, a single application form (covering the eligibility requirements of all participating agencies), a single point of registration, and an emphasis on applicants being able to state their preferences for one or more providers.

Via this one point of information advice and registration for people seeking social housing, and a common database from which households can be drawn when providers allocate properties, the rationale is that CHRs make access easier (through increased accessibility to more potential providers) and less time consuming (through one application form for all providers as opposed to separate forms for each) for households, and more streamlined for social housing agencies. Providers select applicants from the shared database for a vacant property according to their own eligibility and matching policies, and this is what distinguishes the database from a common waiting list. In essence, a CHR database produces a *waiting list for each vacancy* that arises, according to the policies of the agency with the vacancy. In other words, the common database does not categorise housing need and can really be thought of as a property specific waiting list. Therefore, not every applicant on the database will necessarily be eligible for every vacant property or each participating agency on the register.

6.1   Policy development in Australia

Most jurisdictions are considering some form of common housing system, although at very different stages. The term 'common housing system', as used in this paper, refers to a system where there is some element of a common delivery mechanism, including assessment, registration and allocations. Queensland, among a raft of other changes to the way in which the department is to deliver housing assistance, has proposed a common housing system that appears to take in all three components, although the implementation details are yet to be worked through (Queensland Department of Housing 2005). New South Wales flirted with one component, a CHR, in 1999-2000 but it was never implemented for a range of reasons, including an inability to carry the community sector. Other jurisdictions are at a more embryonic stage.

6.2 Issues in implementing common housing registers

Based on the international experience, there are numerous factors that can either facilitate or hinder the development of CHRs (Hulse and Burke 2005: 56-8). However, it is only relatively recently that evaluations of CHRs have begun and, in many cases, it is still too early to determine the long-term costs and benefits. Evaluative research undertaken for Communities Scotland by Reid et al. (2004) tracked the emerging pattern in six demonstration projects that have been supported by the Scottish Executive's Modernising Government Fund. The research found that, generally, the development of a CHR follows three phases, each having its own costs and benefits as summarised in Table 2.

Table 2   Costs and benefits of CHR phases

Phase	Costs	Benefits
Inception	Principal costs in terms of staff time: o Coordinating the development process o Consultancy commissions o Overall effort is seen as costly to organisation o Abortive costs where time and effort has had to be written off Concerns about costs of ICT implications predominate, to the extent that these concerns act as brakes on the development process	Widespread operational benefits: o Sharing of strategic housing information relating to needs o Establishing a basis for compiling locality-wide allocations data o Relationship building between participating organisations o Joint 'visioning' of common goals o Sharing of tasks that will form the basis of the CHR o Reviewing the standard forms that will be used by applicants Key benefits continue to be in the areas of: o Information sharing o Building closer relationships between participating organisations o Responsibility for steering and meeting arrangements
Development	Concern about rising costs is particularly present as organisations confront the reality of the project: o Staff time and effort still seen as a major cost o Costs of external (and internal) consultancy and evaluation work, i.e. development of common working practices and assessing options, for example, in relation to ICT	Significant benefit is in terms of learning among the partners, reflected through: o Minor changes to the working patterns of organisations in order to fit with others o Joint training exercises o Increased understanding across organisations about how much it costs them to deliver their services

Phase	Costs	Benefits
Implementation	Most costly phase in terms of tangible spend; phase when the predicted costs become a reality Principal costs: o Commissioning and adapting the ICT solution adopted o Organising data transfer from previous individual systems o Supporting the delivering agency o A range of associated investment around staff preparedness, the launch of the scheme locally, and preparation of new applications paperwork	Confidence that the emerging data on the numbers of local housing applications is becoming more robust and accurate The streamlining process has reduced the time involved in handling application forms and the problem of duplication Common procedures and terminology mean a clear system that is easy to understand from the client's point of view

Source: Adapted from Reid et al. (2004: 4)

Overall, the research found that different approaches to CHRs are appropriate and applicable to different settings (depending upon the local housing policy context and operating challenges), and incur different patterns of costs and benefits. Key benefits in the short to medium term are the development of partnership 'knowhow', the sharing of local service information (including an improvement in the quality of information available to the consumer) and the streamlining of local services. Key costs include the fact that CHRs develop at different rates and can become 'trapped' at different stages, although funding can act as an incentive to move between stages; at an operational level, local teams require partnership management skills, project management skills, and management and information systems understanding; and much learning, particularly around negotiation, mediation and brokering of interest, is haphazardly done 'on the job'. Although the focus of the research was on the short- to medium-term benefits, it is suggested that:

> In the long term, it is to be anticipated that the perceived initial heavy costs to partner organisations of developing CHRs will be outweighed by the benefits of improved local management information where social housing is concerned, better economies of scale in terms of the organisation and administration of local access to housing, and improved and easy-to-access allocations from the consumer point of view (Reid et al. 2004: 3).

A main focus of this project will be to investigate the many models of CHRs that have been developed and how they are working in practice, particularly in terms of implementation issues such as the factors that have both facilitated and hindered their development (including the policy levers and institutional settings), as well as the longer-term costs and benefits now that they are relatively established. Investigating the various models is important as it is possible that different models and different locations could encounter their own specific issues, as highlighted by the Scottish experience. For example, CHRs in rural areas may encounter different problems compared to metropolitan CHRs due to the larger geographical area. There may also be a particular set of issues depending upon whether they are operating in areas of either high or low housing demand, and also issues for larger agencies whose area of operation crosses the boundaries of more than one CHR.

Other models or areas to be specifically investigated will include, but are not limited to, areas with both high and low levels of ethnic diversity (preferably including areas with refugees), areas with different local housing policy contexts (such as unitary or dual levels of authority), CHRs where the management of the register has been contracted out to a third party and registers where this has not occurred (including stock and non-

stock transfer), and models that have different procedures for the treatment of priority applicants and also transfer applicants.

Initial workshops for this project in Brisbane and Melbourne provided an opportunity for management or advocates in both the public and community housing sectors to discuss and identify the issues they believed were the most important, that is, those which require further investigation in order to provide detailed information on the practical application of CHRs in the Australian context. Identification of these issues was assisted by the NSW Federation of Housing Associations' paper produced in response to the Housing Department's move towards a CHR in that state. The issues can be grouped under eight main themes: scale, boundaries, participation, operational, choice, exclusions, transfers and implementation.

Scale

- Does a CHR have to incorporate all components of the housing system (waiting list, eligibility, allocations etc.) or can it cover part(s) of the system only?

Boundaries

- Do CHR models incorporate crisis and transitional housing?

- Do models include affordable housing, e.g. housing associations and head leased private rental property? If so, how is this to be incorporated if affordable housing agencies accommodate some tenants outside existing eligibility criteria, or in the interests of viability cannot take more than a certain proportion of particular client groups, e.g. Newstart recipients, or have different rent setting structures?

- How do cooperatives relate to the CHR system? Are they to be outside it or, if inside, how are client assessment criteria such as tenant participation (allocation by merit) to be incorporated?

- How do specialist services relate? For example, if a CHR incorporates the crisis sector, how then do related services such as legal, health, alcohol and drug, mental health, employment and training and Centrelink fit? This is the issue of the boundaries of common assessment.

Participation

- Is there a minimum provider size in order to participate?

- Do some types of providers not participate?

Operational

- Are applications lodged and registered centrally or at multiple sites?

- Is eligibility assessed centrally or at multiple sites?

- Are eligibility and assessment undertaken at the same time and by the same staff?

- Who undertakes assessment and how is this determined in different systems?

- Is there any variation in assessment methods/tools between providers?

- Can providers have different methods of prioritising applications?

- Does a common allocations system really mean one system or a host of integrated systems? A common system, for example, could be designed where all participating agencies had their particular allocations needs fed into the one system, and that system would filter people based on the various allocation principles. Thus person A may have attributes that all agencies accept and would be matched to an available property in all agencies, while person B might have some attributes that exclude them from certain agencies' properties, e.g. one that has a quota on certain household types.

- Can systems allow for local allocations variations?

- Should an application form cover every single question that every participating agency wants asked? This refers to the problem of what may have to be compromised to gain acceptance. In Norwich (England), the final application form is 14 pages long and took 18 months to gain agreement!

- Are 'nomination rights' compatible with CHRs?

- Can common allocations systems be consistent with local area allocations policies?

Choice

- What levels and types of choice are available to applicants (for example, location, type of dwelling, provider)?

- Are there penalties for refusing offers?

- How do choice-based lettings fit with CHRs?

Exclusions

- How do issues of anti-social behaviour and debts with a previous social housing landlord affect eligibility to be housed in the future?

- If excluded from one provider, is access denied to all participating providers?

Transfers

- How are transfers dealt with, that is, are they included in the CHR or managed separately?

- Are transfers managed within each provider or across the system?

Implementation

- What are the political or other contentious issues and how are these resolved?

- In terms of power relations between providers, are there overseas examples akin to the Australian context where there is one dominant provider?

- What time period has been set aside for implementation? There is a tendency to under-estimate the time that complex reforms, such as a common allocations system, can take. In many UK examples, timeframes were rarely less than two years.

- Are CHRs as beneficial in areas of low housing demand as in areas of high housing demand, in terms of both the number of allocations and the number of agencies?

- What are the IT implications and options, their cost, and the advantages and disadvantages of different approaches? Depending on how it is implemented, a common housing system may require compatibility of platforms, a problem in Australia where the community sector's IT capacity is very diverse and may not support a CHR, let alone a common allocations method (Charlesworth 1998: 84). If fully centralised, these IT problems may be avoided, but this may involve a considerable loss of autonomy for the sector.

- What are the costs of establishing and operating the CHR and how are these funded? In the UK, each provider is typically charged for operating costs. How is this charge to be struck or is it to be carried by a central agency?

- How are efficiency dividends captured and distributed? This is the issue, for example, of where a central agency runs the common housing system, e.g. a CHR, but which generates savings to participating individual agencies. Are these savings to go to the central agency, and what if the savings in participating agencies involve the loss of staff who were previously administering allocations but whose roles might have extended to other areas of service provision?

- What information is available to CHR staff and applicants about the participating providers and housing options, and how is this kept up to date?

- What are the training and development issues for staff in the CHR and for providers overall?

- Are there issues of conflicting cultures between participating providers and how are these dealt with?

- Have there been any problems when applicants who are already on a waiting list have been transferred to a CHR (for instance, falsely raising their expectations as, with more potential options open to them, they expect to be housed more quickly)?

- What are the implementation timeframes and stages?

In order to inform debate regarding the possible implementation of CHRs in the Australian context, the above questions will be used as a basis for the data collection in the overseas component of this research. It is unlikely that there is any one model that addresses all of these issues as, apart from a shared information resource, a single application form and a single point of registration, there are many possible permutations of a CHR model, as previously discussed. Therefore, various models will be investigated with the aim of addressing all of the above issues and indicating, where appropriate, the diverse ways in which they deal with these issues.

7 OTHER OPTIONS FOR REFORM

7.1 Choice-based lettings systems

There have been significant reforms in Europe, particularly in the Netherlands and the UK, to improve choice for households wishing to access social housing, for example, through the advertising of vacant properties (DETR 2000; Kullberg 2002; Mullins and Pawson 2005). Generally referred to as choice-based lettings (CBL) schemes, these were introduced in Delft in the Netherlands a decade ago and more recently in pilot projects in the UK. Once again, the following discussion builds upon the research conducted by Hulse and Burke (2005), but has been updated to reflect recent developments.

Although there is no precise definition for CBL schemes, one definition states that:

> Unlike 'traditional' allocation schemes, in Choice-based Lettings, the customer is aware of all the available properties for which they are eligible, and is able to make their own choice from among the available vacant properties (Jones 2004: 2).

The broad principles are:

- All available vacant properties are advertised to all members of the scheme;

- All members bid for the properties they are interested in, using their own allocated 'currency';

- Bids for each property are short-listed;

- The property is offered to the member at the top of this list;

- Offers, acceptances, refusals and lettings are dealt with in the normal way;

- Information on the number of bids received for each property, and the 'currency' of the successful bidder, is provided to all members (Jones 2004: 2).

Like CHRs, there is no one model of a CBL scheme, although all have a number of key features in common. However, schemes deal differently with particular features, such as the treatment of priority applicants. The exact workings and implications of these models will not be discussed at this time, but will be a main focus of the practical component of the research. What follows is a brief summary of the main features of CBL schemes in the UK, as set out by Jones (2004: 2-8) in notes prepared for this research project.

Scheme design and bidding 'currency'

All schemes require some form of 'currency' in order to rank competing bids for the same property. The choice of currency is closely related to the level of demand for property within the area, for example, high demand areas have retained housing need points, with high (but less extreme) demand areas using housing need bands, to lower demand areas which use waiting time with some form of 'priority card' for urgent rehousing cases. In most cases, the customer with the highest housing need or the longest wait time is offered the best quality property.

Selection of properties

In all pilot schemes, a small number of properties are reserved for direct letting through the traditional process of allocation by a housing officer. These typically include properties for the rehousing of tenants following an emergency, such as fire or flood; properties let to customers where choice is undesirable, such as people previously convicted of certain sexual offences or in witness protection schemes; and properties that have been specifically adapted, usually for wheelchair or paraplegic access, and where a match between the person and the property is made on the basis of

professional advice. In most schemes, properties allocated in this way are kept to a minimum, with decisions to withhold properties for direct allocation monitored.

Labelling of properties

All advertised properties have to be accompanied by a description, and preferably a photograph, providing basic information including number of bedrooms, central heating, garden, car parking, and location of amenities and services such as public transport, shops and schools. Most pilot schemes also 'labelled' properties with additional eligibility restrictions, the most common of which include a minimum or maximum number of occupants, controls on pets, indications of suitability for households with mobility problems, and restrictions on the minimum age of tenants.

Advertising media

A wide range of advertising media have been used, including local newspapers, brochures or newsletters, property shops (offices run by the CBL scheme along similar lines to private estate agents' offices) and websites. The choice of media, distribution of material and its form are all critical to ensure that potentially vulnerable groups have equal access to information. Direct mailing to the housebound, advocates, occupational therapists or social workers is usual, as is the production of material for the visually impaired, the illiterate or those speaking a minority language, together with availability of translation services.

Bidding

Following the public advertising of a property, most schemes allow a week for bids to be made. Practice varies on the number of bids which households are able to make (which could range from four or five in any one advertising round, to as many as they wish) and also on whether households are able to bid for properties for which they are ineligible (which can provide valuable information to the landlord on the real market and level of demand that exists for this property). Most schemes issue homeless applicants with a 'priority card' (usually time limited), which usually over-rides all other bids. All schemes allow bids to be placed on behalf of applicants.

Short-listing

All schemes use a computerised short-listing system that matches applicants to bids and labelling criteria, except where the number of advertised properties are exceptionally small.

Offer

Most schemes have a procedure for verifying applicant information, which in many cases is done at the offer stage to ensure current validity. Verification may include details of the applicant's household (age, sex, relationship), any outstanding arrears of rent or mortgage, or possibly police checks for relevant criminal convictions. Normally the property is offered to the bidder at the top of the short-list, then to the second bidder in the event of a refusal, and so on until acceptance. Some schemes offer the property to the top four or five bidders simultaneously in order to reduce vacant periods.

Feedback

Feedback is integral to any CBL scheme and usually provides the address of the property, the number of bidders and the 'currency' of the successful bidder. Ideally, it should be provided within a short period of the bidding round being closed, so that unsuccessful bidders can adjust their future bids to maximise their chances of success.

Re-advertising

Most schemes have a proportion of properties which receive no bids on first advertisement or are refused by all bidders. In such cases, they can be re-advertised in a later cycle, usually after a reconsideration of the property 'labelling' and the potential

market, or can be redesignated into an alternative letting scheme, usually on a 'first come, first served' basis.

A main component of the UK pilot programs has been a strong commitment to evaluation and learning from their experiences. Consequently, various evaluations have already been completed, as discussed by Hulse and Burke (2005: 67-8), with others to be released very soon. Overall, the evaluations have been very positive from the perspective of both households and providers of social housing, although contacts with a local system (Bath) that is about to abandon a CBL scheme suggests that they are not always successful.

However, the original wave of evaluations, as summarised in Hulse and Burke, were largely unable to document whether the schemes provide better outcomes in terms of the stability and sustainability of neighbourhoods that have concentrations of social housing or whether they were accentuating racial segregation, raising questions of whether they could become part of the problem, rather than a solution (Pawson and Kintrea 2002). This caused an Office of the Deputy Prime Minister select committee to criticise CBL, 'warning housing providers that the system could exacerbate racial segregation and telling the government it needed to think again' (Fearn 2005). More recent evaluative research on community rather than client impacts has not substantiated that fear, finding that CBL 'probably makes no difference to the geographical pattern for re-housing outcomes for different ethnic groups' (Pawson, quoted in Fearn 2005). Investigating the broader impacts and outcomes of CBL schemes will be a focus of the applied component of this research.

The current extent of choice-based lettings in Australia is a South Australian Housing Trust pilot in Whyalla, still in its early stages. It is hoped that the final report of this project will include detailed observations on the experiences of this program.

7.2   Local allocations policies

There has been a trend overseas, and to a lesser extent in Australia, of introducing more diversity into the allocations process to respond to local housing markets and conditions through local allocations policies. As outlined in Section 4.10, the variations in performance of social housing areas and regions appear to be becoming greater, although as yet there is no systematic documentation of the attributes of public housing sub-markets. Table 3 categorises the typical objectives of local area allocations, problems they are likely to be addressing, types of allocations strategies, and implementation concerns. These principles are not part of a general allocations strategy and would be applied only to areas or properties experiencing the problems in column 2.

Table 3   Local area allocations: principles, practices and problems

Targeting objective	Local area problem	Allocations strategy	Implementation concerns
Local employment conditions To ensure that allocations encourage employment capacity or do not weaken employment opportunities	Area has weak employment opportunities Area has a disproportionate share of non-employed households or household members	Balance the proportion of households who are work active (potentially employable) with those who are not (e.g. those on age or disability pension) Minimise allocation of work active households to areas with high rates of unemployment	The effect on employment among existing residents may be limited

Targeting objective	Local area problem	Allocations strategy	Implementation concerns
Strengthening community and local support This includes clients 'active' contribution to community life through participation in local groups, willingness for tenant participation and so on	High turnover rates High drug presence (sales or use) High rates of vandalism	Locate households near family and friends where such a link can be established, and desired, by applicant Give priority to long-term residents in area Cap on the proportion of households with children in problem areas	May discriminate against certain household types Verification of family and friends may be difficult What defines a long-term resident? May over-ride need as criteria
Social mix and sustainability	Disproportionate percentage of any one ethnic, household, income or complex needs group	Cap on the type of tenant allocated to area, neighbourhood or development	May over-ride need Stock attributes may not be able to be matched with desired mix of households
Sustainable stock use	Empty stock Under-utilised stock Mismatched stock Lack of demand	Throw allocation open to wider private market (empty stock) Use reallocation (transfers) more effectively and more widely Choice-based allocations Broaden income eligibility Link allocations with incentive (rent reduction)	Opening eligibility may antagonise local real estate interests Broadening transfers is seen as a non-core activity when so many need new allocations

In Victoria, which has had a highly targeted system for longer than any other Australian jurisdiction, there is recognition that this can create pressures on specific locations and that modification is required for better client and estate outcomes. This has resulted in the development of two pilot sites to implement what are probably the most detailed and comprehensive local allocations plans proposed in Australia. The first site is in the Mildura area, which is compromised of the suburbs of Irymple, Merbein, Mildura, Mildura South and Red Cliffs. All public rental properties in the area are included in the pilot.

The second pilot site is the Inner Metropolitan East area, which is distinct from the first pilot as the plan is relevant only to properties on specific estates. The Collingwood, Fitzroy and Richmond high-rise and surrounding walk-up estates form the plan area, with the first two being neighbourhood renewal areas. Other properties in these suburbs, and the other suburbs that form the broader Inner Metropolitan East area, are excluded from the plan area and as such normal allocations policy applies.

Both plans still operate within the overall Victorian framework, which is a priority system with four predominate segments, but with more local flexibility to encourage sustainable tenancies. The focus of the plans is to guide allocation decisions in the plan areas in order to achieve a particular set of outcomes, based around encouraging a compatible mix of tenants, reducing concentrations of disadvantage, and producing positive outcomes for clients and the provider.

The underlying principle is to better match households with available properties to ensure tenant satisfaction and thereby increasing the likelihood of the tenant sustaining their tenancy. The plans are comprised of two main elements: selective allocations and increased choice to selected applicants.

One method of applying flexibility is through the use of socio-economic and demographic data along with application and tenancy information to determine the type of households to target allocations towards. Flexibility places onus on the landlord to complement needs based criteria with other indicators to encourage a controlled intake of applicants to an area. This approach assumes that a blend of households with different social characteristics will produce certain desirable outcomes in some areas, while a selective intake will assist to ensure compatibility amongst neighbours.

Increased choice

Increased choice shifts control to the applicant in relation to housing decisions that traditionally lay with the provider. The aim is to empower clients to make choices about their housing and therefore increase their satisfaction with it. Choice is offered to selected applicants in relation to:

- Location (including suburb, estate and/or building);

- Property amenity;

- Number of offers received (flexible offer cancellation policy applied);

- Existing tenants are able to request and be granted transfers within the area, including encouragement of mutual swaps.

The plans do not exclude applicants from being housed in an area, but rather are designed to place them in areas where they are most likely to create a successful tenancy and community. Where an applicant is offered increased choice, reasonable effort is made to accommodate this as long as it does not unduly increase waiting times others, particularly those in urgent housing need.

In such local allocations policies, applicants are selected from the one waiting list but according to the household type that is needed for the specific vacancy, and it is these households who are able to exercise some choice when an offer is made to them. Allocations are not made according to the needs-based policy of the general waiting list. These local allocations plans are currently being implemented, and subsequent research will report on their progress, as well as document the schemes along with others from around Australia in more detail.

8 CONCLUSION

While there is growing awareness of the need to reform allocations in Australian social housing, the existing evidence suggests that this will not be easy. There are three potential directions for reform: common housing registers, choice-based models and local allocations. Most policy development has been around CHRs and local allocations, but there is still not enough known to move confidently forward or to tease out the relationships between these potential reforms. This project is designed to assist housing jurisdictions in bridging this knowledge gap by offering a framework to think about the issues (largely the role of this Positioning Paper), providing information on how (if at all) the implementation problems have been overcome in other jurisdictions, particularly overseas (stages two and three of the research), and providing tools to guide decision making (Final Report and resource kit).

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