



INTERIM REPORT ON VISIT TO COMMON EQUITY HOUSING LTD 28TH NOVEMBER 2007

- What the Victorians have is superior to what we currently have in South Australia in terms of growing and sustaining a Housing Co-operatives Program, and managing difficulties within Housing Co-operatives. The philosophy is to encourage a sense of ownership and responsibility within co-ops. On the other hand this does require a willingness to commit resources to Program management.
- Their support structures are better and operate at the community level. Although Common Equity Housing Ltd has a monitoring and auditing role, this does not seem to impede the support role. There is sometimes a need for guidance, counselling and even correction, but staff of Common Equity Housing Ltd expressed the view that the two roles (support and correction) complement each other. Staff of Common Equity Housing Ltd seem to be on close terms with the Co-operatives.
- There seems to be less emphasis, however, on formal training, with a greater focus on one-to-one training or Co-operative level training. Their view is that formal multi-group training has not successfully addressed the needs of Housing Co-operatives.
- The Program has greater flexibility in terms of managing and reorganising housing stock, with a capacity to move individual properties and tenants in and out of Co-operatives and to give troubled Co-operatives some time-out and breathing space while they are rejuvenated, through the VicWide option. This reduces 'leakage' of tenants and properties out of the Co-operative sector, unlike in South Australia.
- The Victorian Program has the confidence of Government and is growing, with substantial injections of public funds. Common Equity Housing Ltd has recently been granted status as a Housing Association, meaning it has access to growth funds. Common Equity Housing Ltd also has considerable internal resources which are being put into growth, and it has the confidence of the private finance sector, being constrained only by its limited capacity to service additional debt.
- Common Equity Housing Ltd acts as a buffer between government and community, interpreting the one to the other in an ongoing dialogue.
- The Victorian Program recognises that Co-operative members age and need to "retire" from active membership; it has catered for this through developing retirement stock and partnerships with aged care organisations.
- The Victorian Program clearly identifies what capacities Co-operative members have to manage asset management, leaving responsive and vacancy maintenance to the Co-operatives while major or cyclical maintenance is handled professionally at the company level in consultation with the Co-operatives.

- The Victorian Program has a mechanism through Common Equity Housing Ltd to act as a professional developer, undertaking medium-to-large-scale property developments throughout Victoria, in consultation with Housing Co-operatives. (Eg a 92 unit development in Dandenong at present, a proportion of which will be sold; also a 75 unit development over 23 sites).
- Members of the Victorian Co-operatives that we met expressed great enthusiasm for the Program and great confidence in the Company. They espoused a strong sense of 'ownership' of their homes and a vigorous sense of participation in, and partnership with, program management and development. They explicitly expressed the view that lack of ownership of titles at the Co-operative level does not reduce the practical sense of ownership that members feel.
- The members that we met would welcome the opportunity to share their experiences and perspectives with members of South Australian Housing Co-operatives.
- There was a sense of confidence and optimism about the Victorian Program which has been lacking in South Australia for a long time.

Recommendations:

1. That we reaffirm the need to develop a South Australian version of the Common Equity model.
2. That CHCSA and OCH support in principle (subject to agreement about funding) a group of South Australian Housing Co-operative members visiting Victoria and talking to Victorian Co-operative members, in order to satisfy themselves that the model will enhance rather than diminish the functionality of South Australian co-operatives. Conversely a group of Victorian Co-operative members could visit Adelaide.

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