



COMMUNITY HOUSING COUNCIL OF SOUTH AUSTRALIA INC.

The Peak Industry Body for Community Housing Organisations in S.A.

283 – 285 Payneham Road, ROYSTON PARK SA. 5070

Ph: 8362 1022 Fax: 8362 1944

E-mail: info@chcsa.org.au

Website: www.chcsa.org.au

ABN: 38 885 520 654

A Quick Guide to Common Equity South Australia (CESA)

What is Common Equity SA (CESA)?

'Common Equity SA' (CESA) is a proposed new 'umbrella' organisation, designed to support Housing Co-operatives (and small Housing Associations). Housing Co-operatives that choose to join CESA will benefit from a range of new support services, while maintaining their own autonomy and security of tenure. CESA will aim to assist Co-operatives by:

- ⇒ Reducing the workload on volunteers
- ⇒ Helping members to work effectively together as a community, for mutual benefit.
- ⇒ Offering new opportunities for development
- ⇒ Supporting long-term viability

Why is CESA being established?

Community Housing in SA is changing. The Government is now putting its main efforts into growing larger 'Preferred Growth Providers'. Smaller Co-operatives on their own are now unlikely to get any funds for new properties. Furthermore, many Co-operatives are finding it difficult to keep up with the workload of running a group on pure 'volunteer power'. A significant number have closed over the last few years.

CESA offers Co-operatives the opportunity to be part of a larger, professionally managed organisation, while retaining their identity and purpose as a community.

How will CESA be managed?

CESA will be a Company limited by shares or guarantee, and will be managed by a voluntary Board of Management. The Board will be made up of both independent, skill-based members and a number of positions elected by the member organisations. CESA will have paid staff to manage the day-to-day operations and deliver services to members.

What will joining CESA mean for our organisation?

Joining CESA will be a voluntary decision taken by an individual Housing Co-operative or Association. Organisations that join will transfer the title on their existing properties to CESA, and then lease them back again via a new, perpetual Lease/Service Agreement with CESA. Your organisation will retain direct control of the properties and tenancies. Centralising the titles under the one organisation will enable CESA to gain a higher level of funding and, in the longer term, to develop new properties. **Cont over...**

Joining Common Equity SA: the pros and cons

pros...

- ⇒ CESA will provide finance, rent and asset management services to member groups, without the need for any extra levies.
- ⇒ CESA will provide support to member groups to improve meeting skills, participation, and tenancy management
- ⇒ Tenants/members will enjoy the same security of tenure as they have now
- ⇒ CESA will offer its members a stronger collective 'voice' with government, and reduce reporting demands
- ⇒ CESA will work with its members to renew their goals as a community, and develop new, creative ways to achieve those goals.
- ⇒ CESA will assist members to improve water and energy efficiency
- ⇒ When conflict occurs within a Co-operative, CESA will be able to assist by taking on temporary, direct management of a property, until the problem is solved
- ⇒ In the longer term, CESA will offer members some opportunities for growth, or redevelopment of existing stock to meet changing needs

- ⇒ CESA will have better funding arrangements, similar to those for a large Housing Association (including a higher level of Administration Allowance)

cons...

- ⇒ Joining CESA will be a big change for a Co-operative. Change always has some risks, but not changing can be a risk too.
- ⇒ CESA may not suit a Co-operative that wants to continue to manage all of the work itself, and remain completely independent
- ⇒ Once a Co-operative has joined CESA it will not be possible for it to leave and return to its previous position
- ⇒ In the unlikely event that CESA has to close, properties may be transferred to another large Community Housing provider. (Individual tenancies would still be secure)
- ⇒ If you wanted to purchase the property you are living in, you would need the permission of both the Co-operative and the CESA Board.
- ⇒ Creating CESA will create some challenges for the future role of the CHCSA

Where can I get more information?

Just call CHCSA on 8362 1022 to receive further information in the mail, or to arrange an Information Session for your next Co-operative meeting. You can also visit our website at

www.chcsa.org.au