

# CPSA



COMBINED PENSIONERS  
& SUPERANNUANTS  
ASSOCIATION OF NSW INC

# Inquiry into Tenancy Management in Social Housing

**Response to the Legislative Assembly Public Accounts  
Committee**

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**Combined Pensioners & Superannuants Association of NSW Inc (CPSA)**

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## **About CPSA**

Combined Pensioners & Superannuants Association of NSW Inc. (CPSA) was founded in 1931 in response to pension cuts. CPSA is a non-profit, non-party-political membership association serving the interests of pensioners of all ages, superannuants and low-income retirees. CPSA has approximately 130 branches and affiliated organisations with a combined membership of over 30,000 throughout NSW. CPSA serves the interests of its membership and broader constituency at the local, state and federal levels.

## **About this submission**

The Legislative Assembly Public Accounts Committee (the Committee) sought public submissions to its inquiry into current tenancy management in NSW social housing, with particular reference to:

1. the cost effectiveness of current tenancy management in public housing compared to private and community housing sectors;
2. the range and effectiveness of support services provided to tenants in social housing;
3. outcomes for tenants from current tenancy management arrangements; and
4. possible measures to improve tenancy management services.

This submission is structured as:

1. Introduction;
2. What functions encompass tenancy management in public housing;
3. Current private sector involvement in tenancy management in public housing;
4. Comparison of tenancy management by Housing NSW, community housing, private landlords and real estate agents;
5. Further comparison of tenancy management by Housing NSW and real estate agents; and
6. Conclusion

## *Appendices*

1. Housing NSW position descriptions for Senior Client Service Officer and Client Service Officer
2. jobs.nsw advertisements for Senior Client Service Officer and Client Service Officer
3. Job advertisements for Client Service Officer positions in Housing NSW as contractors by Charterhouse, Chandler Macleod and Randstad.

## **Key points**

- Evidence indicates that outsourcing tenancy management in public housing to the private sector will not provide positive outcomes to tenants.
- Unlike Housing NSW, the private sector does not have the years of experience of managing tenants with complex needs.
- The private sector will not have the essential skills to manage tenants with complex needs.
- Housing NSW must remain the only provider of tenancy management to Housing NSW tenants.

- The Committee must investigate the contractual arrangement between NSW Land & Housing Corporation (LAHC) and Housing NSW. CPSA anticipates that by directly funding Housing NSW from consolidated revenue and removing many layers of bureaucracy from the current arrangement, will likely result in considerable savings for the NSW Government.

### **Questions for the Committee**

CPSA poses a number of questions that the Committee should consider before outsourcing public housing tenancy management to the private sector:

1. To avert homelessness, Housing NSW shows tolerance and patience towards Housing NSW tenants. Will the private sector be as tolerant and patient as Housing NSW?
2. Would the private sector serve termination notices to Housing NSW tenants as a first resort, rather than encouraging these tenants to seek specialist help to resolve breaches of their tenancy agreements?
3. Would the private sector terminate tenancies of Housing NSW tenants for ‘no grounds’ under sections 85 or 94 of the *Residential Tenancies Act 2010*?
4. Would the private sector be quick to terminate tenancies of Housing NSW tenants for breaches of the tenancy agreement, even where the tenant clearly has a disability?
5. Would the private sector resolve non-urgent repair and maintenance problems in NSW Land and Housing Corporation properties resulting from many years of neglect?
6. What specialist skills would the private sector have (for example social work, psychology) to manage tenants with complex needs?

### **Key recommendations to the Committee**

That the Committee make its own inquiries into the current contractual arrangements between LAHC and Housing NSW, and Charterhouse, Chandler Macleod and Randstad in their effectiveness (both economically and meeting Housing NSW’s vision and values) before even contemplating outsourcing public housing tenancy management to the private sector.

#### **1. Introduction**

This submission focusses on the Committee’s inquiry in reference to:

- (2) the range and effectiveness of support services provided to tenants in public housing; and
  - (3) outcomes for public housing tenants from current tenancy management arrangements.
- These are compared to the proposal to outsource public housing tenancy management to the private sector.

Older Persons Tenants' Service (OPTS) is a program of Combined Pensioners & Superannuants Association of NSW Inc. (CPSA). Previously, with funding provided by NSW Fair Trading, OPTS was a tenants' advice and advocacy service as part of the NSW Tenant's Advice and Advocacy Program (TAAP). OPTS assisted 1225 tenants aged over 55 years from 31 January 2011 (when *Residential Tenancies Act 2010* commenced) to 30 November 2013 (reporting period). This submission comprises an evidence-based comparison of tenant outcomes living in properties managed by Housing NSW, community housing (including City West Housing Ltd), private landlords and real estate agents (agents).

## **2. What functions encompass tenancy management in public housing**

A search of jobs.nsw for positions in Housing NSW<sup>1</sup> showed a Client Service Officer (CSO) and a Senior Client Service Officer (Senior CSO) position. These position descriptions are enclosed as Appendix 1. The job advertisements for the positions state that the role is intended '*...to deliver a broad range of applicant, tenancy and property management services and advice to clients, including those with complex needs*' (emphasis added). These are attached as Appendix 2. Both positions emphasise '*those with complex needs*' and this is not defined in Housing NSW or Housing Pathways policies other than having an urgent need for housing (due to a broad spectrum of issues), and cannot be resolved by the private rental market. An object of the *Housing Act 2001* in section 5(1)(f) is '*to ensure that the public housing system focuses on housing people who are most in need*'. It is deduced, tenants with complex needs are the most disadvantaged people in NSW. A comparison of the position descriptions clarifies what tenancy management specifically covers in public housing (Housing NSW).

Both position descriptions state that '*Housing Services Divisions are grouped into client service delivery teams. These teams may be further grouped into Access and Tenancy Management teams.*' Access teams cover clients seeking housing assistance who are not current tenants of Housing NSW, for example Rental Bond Loans. On 2 August 2013 LAHC was transferred back to Family & Community Services NSW (FACS) from the Office of Finance & Services. LAHC's 2012-2013 Annual Report<sup>2</sup> states, '*It [the transfer] will also provide better opportunities for the NSW Government to deliver the most effective housing and assistance outcome to people in need.*'

The annual report refers to LAHC funding and managing the tenancy management services delivered by Housing NSW. This includes property management, for example inspections, issuing work orders and facilitating minor modifications. We assume the inquiry is making recommendations solely on tenancy management (including property management) and not access. Both position descriptions prescribe the tasks of tenancy management and property management and can be seen on each at page 3, Appendix 1. These tasks are far broader than real estate agent's tasks of managing rent ledgers, completing property inspections and facilitating repairs. Housing NSW aims to sustain tenancies especially for tenants with

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<sup>1</sup> Viewed at [https://jobsnsw.taleo.net/careersection/all\\_jobs/moresearch.ftl](https://jobsnsw.taleo.net/careersection/all_jobs/moresearch.ftl) on 31 July 2014

<sup>2</sup> Viewed at [http://www.facs.nsw.gov.au/\\_data/assets/file/0011/279038/FACS\\_AR\\_2012-13\\_Land\\_and\\_Housing\\_WEB\\_FACS.pdf](http://www.facs.nsw.gov.au/_data/assets/file/0011/279038/FACS_AR_2012-13_Land_and_Housing_WEB_FACS.pdf) on 31 July 2014, 10, 12 and 28

complex needs. They may require intensive assistance internally from Housing NSW specialist staff, or from specialist external agencies. This is reflected in Housing NSW's vision, '*Helping build a stronger community by providing housing solutions for people in need.*'<sup>3</sup>.

### **3. Current private sector involvement in tenancy management in public housing**

We are aware of LAHC or Housing NSW engaging private contractors to provide CSO's to Housing NSW which include Charterhouse, Chandler Macleod and Randstad. Their job advertisements are attached as Appendix 3. None of the job advertisements refer to assisting tenants with complex needs to sustain tenancies. It is noted one job advertisement states, '*Experience in....real estate would be advantageous but is not essential.*' A search of FACS and LAHC 2012-13 Annual reports and the Register of Government Contracts<sup>4</sup> did not provide any information on these contracts.

#### ***Recommendation:***

That the Committee make its own inquiries into the contractual arrangements between LAHC and Housing NSW, and Charterhouse, Chandler Macleod and Randstad in their effectiveness (both economically and meeting Housing NSW's vision and values).

### **4. Comparison of tenancy management by Housing NSW, community housing, private landlords and real estate agents**

CPSA's Older Persons Tenants' Service (OPTS) assisted 1225 tenants aged over 55 years from 31 January 2011 (when *Residential Tenancies Act 2010* commenced) to 30 November 2013 (reporting period). The table below is a comparison of tenant contacts during the reporting period and their outcomes in properties managed by Housing NSW, community housing (including City West Housing Ltd), private landlords and real estate agents (agents). The tenancy issues are based on the top five issues from the Tenant's Advice and Advocacy Program (TAAP) database for the reporting period (termination, repairs, rent arrears, access and neighbour disputes). Tenancies provided by private landlords and real estate agents do not include rentals in residential parks, retirement villages or boarding houses.

	Termination			Repairs		Rent arrears	Access dispute	Neighbour dispute	Total tenants
	1	2	3	4	5				
Housing NSW	12	20	4	57	31	4	11	45	321
Community housing	5	6	0	19	7	4	2	23	121
Private landlords	8	40	6	12	7	8	2	1	174
Real estate agents	13	56	27	35	32	19	9	7	325

<sup>3</sup> Viewed at <http://www.housing.nsw.gov.au/About+Us/Purpose+and+Values.htm> on 31 July 2014

<sup>4</sup> Viewed at <https://tenders.nsw.gov.au/> on 31 July 2014

Key to numbers:

Termination 1 = Tenant contacting after receiving notice of Tribunal hearing

Termination 2 = Tenant contacting after receiving termination notice from landlord

Termination 3 = Tenant contacting for general advice

Repairs 4 = Tenant contacting for non-urgent repairs advice

Repairs 5 = Tenant contacting for urgent repairs advice

The 'Total tenants' column is the total number of tenants (managed by the relevant provider) contacting OPTS in relation to many tenancy issues listed in the TAAP database, for example 38 tenants in Housing NSW contacted about priority rehousing and 7 tenants with a private landlord contacted about priority housing in social housing.

- **Private landlords**

In relation to private landlords the large number of tenants receiving a termination notice was predominantly due to: section 108 of the *Residential Tenancies Act 2010*, Termination of long term tenants (tenancies of 20 years or more); deceased landlord's children inheriting the premises and selling to avert capital gains tax; landlords selling due to a buoyant property market; landlords seeking a higher rent from tenants with a higher income than from those on a fixed income (typically tenants OPTS assists receive the Age Pension); and tenants in rent arrears due to a rent increase. The small number of landlords seeking orders from the Tribunal is due to OPTS negotiating with landlords a date the tenant will vacate, or conciliating the dispute and advising landlords to seek advice on the merits of their case if heard by the Tribunal.

## **5. Further comparison of tenancy management by Housing NSW and real estate agents**

Further analysis is required between Housing NSW and agents across each listed tenancy issue in the table. Included are de-identified real case studies to highlight the complexity and vulnerability of Housing NSW tenants. Case studies have also been used to highlight comparisons between tenancy management by Housing NSW and agents where major discrepancies occur in the table.

The difficulty Housing NSW faces in assisting tenants with complex needs is shown in the first case study.

### **A Housing NSW tenant who constantly changes her mind**

In July 2012 OPTS was contacted by Joy (authorised occupant aged 41) daughter of an elderly Housing NSW tenant, Jean aged 82. OPTS advised Joy to ask Jean to contact OPTS as she was the tenant. OPTS did not hear from Jean and left telephone messages and sent 5 letters. She still did not respond. Unbeknown, Jean had been negotiating with Housing NSW for her and her daughter to be housed in different premises. Housing NSW offered her a unit at Balgowlah and Joy remain at the original Manly premises. Jean finally contacted OPTS after receiving a notice from the Tenancy Tribunal that a warrant for possession for

the Manly premises had been issued to Housing NSW. Jean said the Tribunal heard her matter some time ago and orders made for termination and possession for Manly. An inspection of the Tribunal file verified this and orders were made on 14 May 2012 and a warrant issued on 16 July 2012. OPTS obtained agreement from Area Director, Housing NSW to stay the Tribunal orders pending OPTS's investigation. This found the relationship between Jean and Joy created complex problems between Jean and Housing NSW. Joy has an untreated mental illness and has been mistreating her mother. Joy still living at Manly urged her mother to vacate Balgowlah and return to Manly. Both mother and daughter were now faced with eviction by the Sheriff. The Community Mental Health team advised they cannot assist because Joy has been uncompliant previously. OPTS began lengthy negotiations with Housing NSW and complicated by Jean's indecision and wavering whether she live with her daughter or live separately. Housing NSW sought to resolve the issue by providing Jean and Joy separate apartments in the same block of units. Jean was still undecided. Housing NSW returned to the Tribunal on 18 September 2012 and during conciliation Jean stated she wished to live in the Manly premises with her daughter. Housing NSW withdrew their application, and the orders for eviction were set aside.

#### ***Question for the Committee 1:***

If public housing tenancy management were outsourced to the private sector, in dealing with Housing NSW tenants would it be as tolerant and patient as Housing NSW to avert homelessness?

- Tenants receiving a termination notice**

The number of tenants receiving a termination notice from agents is 48% higher than tenants in Housing NSW (OPTS figures as per table above). In the experience of OPTS staff, agents are quick to evict older tenants for the same reasons as private landlords. OPTS also found that some agents serve termination notices in retaliation to the tenant seeking repairs. OPTS also found that many agents issue termination notices for breach of the tenancy agreement as a first resort, rather than by communicating with the tenant in the first instance. For example, an elderly tenant had dementia and paid her rent on time but to the agent's wrong trust account, OPTS intervened and found the discrepancy, recovered the lost rent and negotiated with the agent to setup Centrepay deduction from the tenant's Age Pension.

The smaller number of termination notices served by Housing NSW is due to it having a performance indicator of sustaining tenancies in line with its vision. It seeks at first instance, intervention from specialist internal staff, for example a Senior CSO (Antisocial Behaviour), or from external agencies like OPTS. These services work with the tenant aiming to resolve breaches of the tenancy agreement. Housing NSW serves termination notices as a last resort and typically where the tenant will not accept internal or external intervention.

#### ***Question for the Committee 2:***

If public housing tenancy management were outsourced to the private sector, would they

serve termination notices to Housing NSW tenants as a first resort, rather than encouraging these tenants to seek specialist help to resolve breaches of the tenancy agreement?

- **Tenants receiving notice to attend Tribunal hearing**

The number of tenants receiving a notice to attend a Tribunal hearing from Housing NSW and agents is similar. However, agents are seeking termination and possession whereas Housing NSW in most cases seeks specific performance that the tenant complies with the tenancy agreement. In three cases during the reporting period Housing NSW sought termination and possession where a tenant refused to relocate under s.149 of the *Residential Tenancies Act 2010*, a tenant committed rent subsidy fraud under the *Housing Act 2001*, and a tenant engaged in illegal activity on the premises resulting in criminal proceedings.

#### **Termination of long term tenant in private rental**

John moved into a privately rented unit in 1994. All was well until the last of his original landlords died in 2009. The unit complex was inherited by an only child who immediately increased John's rent by \$180 a week. John had difficulty covering this increase but managed by sacrificing groceries and utilities. John has always had a dog, which made it difficult to find other private rental properties and influenced his decision to stay in the unit. In 2011 when the only child became the legal owner of the complex she sought to evict John because she could get a much higher rent. Three efforts by an agent to evict John were unsuccessful because of invalid termination notices. The agent sought legal advice and in March 2012 the Tribunal terminated John's tenancy and gave possession to the only child on 30 April. OPTS and other support agencies worked together to find alternative housing with no success. After much contact with social housing providers John was approved for priority housing on 13 April but no offers for housing were given. OPTS and his support workers took John and his dog to the local Housing NSW office on 20 April and he was interviewed and his case put forward. Housing NSW contacted John on 27 April and advised a one-bedroom unit was available to him and his dog. He signed the tenancy agreement on 30 April and with the help of his support workers John moved all his possessions into the new unit on the same day.

#### **Question for the Committee 3:**

If public housing tenancy management were outsourced to the private sector, would they terminate tenancies of Housing NSW tenants for 'no grounds' under sections 85 or 94 *Residential Tenancies Act 2010*?

#### **Not evicted due to hoarding in Housing NSW unit**

OPTS received a referral from a Community Legal Centre regarding an 82 year old tenant of Housing NSW since 1989. The majority of her tenancy had been incident free but difficulties

had arisen over the last few years. The tenant had taken to keeping large amounts of belongings in her two-bedroom unit and her garage. This came to the attention of Housing NSW during a property inspection and when concerns were raised about fire hazard. They initiated proceedings in the Tenancy Tribunal and obtained a specific performance order that the tenant remove her excess belongings. With OPTS as a negotiator, the tenant arranged for most of the offending items be taken away. OPTS continued to monitor the situation to ensure the tenant continued to comply with the specific performance order.

### **Evicted due to hoarding in private rental apartment**

OPTS represented an elderly tenant who rented a private apartment for 36 years facing eviction due to hoarding. OPTS represented him in three separate Tribunal hearings. At the first hearing in August 2011 OPTS was successful in obtaining a specific performance order. At the second hearing in October 2011 the Tribunal dismissed the landlord's application because of defects in the agent's application to the Tribunal and the notice of termination was invalid. At the third hearing on 21 December 2011 the tenancy was terminated but OPTS was successful in obtaining two months before possession. OPTS undertook six home visits to the elderly tenant to obtain evidence for the three Tribunal hearings and assisted a contractor remove a large volume of paper for two days. OPTS liaised with many support agencies (eg Mercy Arms Waterloo, Brown Nurses, Kings Cross Community Centre) to assist the tenant as he was socially isolated and had no other support. OPTS also engaged St Vincents Hospital and Aged Care Psychiatry who assessed the elderly tenant as having Diogenes (Senile Squalor) Syndrome.

**NOTE:** A property inspection by the estate agent had not occurred for some 10 years and regular inspections would have discovered the problem much earlier.

### **Question for the Committee 4:**

If public housing tenancy management were outsourced to the private sector, would they be quick to terminate tenancies of Housing NSW tenants for breaches of the tenancy agreement even where the tenant clearly has a disability?

- Repairs**

The number of Housing NSW tenants who contacted OPTS seeking non-urgent repairs is 24% higher than tenants under an agent. This is a common problem and has been the subject of many Housing NSW and LAHC reports, discussions<sup>5</sup>, NSW Ombudsman's Annual reports<sup>6</sup> (its Annual report 2012-13 lists Housing NSW second to State Debt Recovery Office on the number of complaints received), and NSW Auditor-General's Report, 'Making the best use of public housing'.<sup>7</sup> Given the huge backlog of repairs and maintenance many premises

<sup>5</sup> The Non Government Organisation reference group facilitated by Housing NSW that meets quarterly often raises repairs in Housing NSW premises

<sup>6</sup> NSW Ombudsman Annual report 2012-13 Viewed at

[https://www.ombo.nsw.gov.au/\\_data/assets/pdf\\_file/0015/12921/Full-Annual-Report-2012-2013.pdf](https://www.ombo.nsw.gov.au/_data/assets/pdf_file/0015/12921/Full-Annual-Report-2012-2013.pdf), 85

<sup>7</sup> Viewed at <https://www.opengov.nsw.gov.au/desktop/13588>

are becoming unfit for purpose, due to age and more importantly, lack of maintenance over many years. It is highly unlikely property management in the hands of the private sector will resolve these problems.

The number of tenants contacting about urgent repairs is very similar in Housing NSW and premises managed by agents. OPTS has found some tenants believe their repair is an urgent repair, but is not listed as such under their tenancy agreement or under section 62 of the *Residential Tenancies Act 2010*, for example mould is not an urgent repair. Housing NSW tenants can contact the Housing Contact Centre or their CSO who can escalate the urgent repair with LAHC (contacting their CSO was not available when LAHC was transferred to the Office of Finance and Services). This should result in better outcomes for Housing NSW tenants, as it did before LAHC was transferred. Agents who are slow in completing urgent repairs (typically on instructions received from landlords due to cost) resolve urgent repairs after being contacted by a TAAP Service like OPTS.

#### **Question for the Committee 5:**

If public housing tenancy management were outsourced to the private sector, would they resolve non-urgent repair and maintenance problems in LAHC properties resulting from neglecting maintenance over many years?

- **Rent arrears**

There is a wide disparity of tenants with rent arrear problems in premises managed by agents being 46% higher than Housing NSW. This is understandable given the high market rents and a rent increase becomes the tipping point for those on a low income. As shown above agents are very quick to evict especially where tenants are 14 days in arrears. Housing NSW is quick to intervene where its tenants are 14 days arrears to sustain the tenancy. In OPTS's experience they contact the tenant to devise a repayment method. If that fails they seek a specific performance order from the Tribunal for repayment at typically 40% of their Age Pension (to cover arrears and current rent).

#### **Rent increase of 68% precedes heart attack**

William, a returned servicemen aged 88, moved into his unit in Bellevue Hill 17 years ago. The entire block of twelve units was owned by a Sydney heiress who passed away. William's rent prior to his landlady's death was \$280 per week. When the entire complex was sold, his rent went up to \$326 a week, and then six months later skyrocketed to \$412 per week. William was only receiving the Department of Veteran's Affairs pension. Despite living frugally, he needed his children's assistance in paying the new rent. He did not wish to move from his unit as his many medical specialists were close by. He was waiting for a nursing home placement near where he lived so he could also be close to his children. Soon after the rent increase he had a major heart attack.

- **Access dispute**

The number of tenants contacting about access disputes with Housing NSW and agents is similar. Housing NSW access disputes is typically about Housing NSW CSO's or its maintenance contractors not providing required notice under section 55(2)(a) or (b) of the *Residential Tenancies Act 2010*. This covers property inspections or conducting maintenance, for example replacing smoke alarm batteries. For example, a tenant in a seniors' complex was visited by a maintenance contractor six times in a year to replace batteries in her smoke alarms. OPTS found the contracting service would target these complexes on particular occasions and with no notice and door knock. Those tenants who answered would have the targeted maintenance completed, whether it was required or not. In a very small number of cases tenants may deny access after receiving correct notice, for example due to their hoarding or other psychological problems.

Agents access disputes is typically showing the premises to potential purchasers on more occasions than prescribed under section 55(2)(f) of the *Residential Tenancies Act 2010* and/or taking internal photographs of the premises including tenant's possessions to sell the premises. The access is usually without the tenant being present (they have not been informed) and the photographs are put on the internet without the tenant's consent (they are not aware).

#### **Unauthorised and unreasonable access by real estate agent**

Mary is 56 years of age and has lived in her Eastern Suburbs flat for over 30 years. The landlord put the flat up for sale. Unbeknown to Mary he authorised the selling agent to enter the flat, take photos of the interior including her possessions, and put them on online. Clearly, the landlord and the agent had little respect for Mary's privacy. Eventually the flat was sold after the managing agent issued a couple of invalid termination notices. The third notice was valid and Mary moved out. OPTS referred the selling agent's actions in entering the premises, taking photographs and placing them on the internet to Fair Trading's Investigation Unit and hopefully they will prosecute.

- **Neighbour disputes**

Neighbour disputes are the widest disparity with Housing NSW being 73% higher than agents (Housing NSW and Community Housing combined is 82% higher than agents). This has resulted from changes to eligibility for social housing which commenced on 1 July 2005 with applicants from that date having to have an urgent need for housing that cannot be resolved by the private rental market, see 2. *What functions encompass tenancy management in public housing*. It also stems from Seniors' housing complexes housing much younger people because of their disabilities. This is due to State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 replacing SEPP (Seniors Living).

It is also likely that the low number of disputes in agent run properties is due to section 50(3) of the *Residential Tenancies Act 2010* covering landlords' neighbouring tenants. OPTS has

found most private landlords do not have more than one premise in a complex. Also agents can be very selective in choosing tenants especially in a tight rental market.

This tenancy management issue is likely to be the least experienced by agents and the private sector. If managed badly it will have negative outcomes for all tenants involved. It is an issue that tenants advice services like OPTS do not deal with other than referring parties to the Community Justice Centre. Housing NSW at first instance does intervene with a Senior CSO (Antisocial Behaviour). This person typically encourages the offending tenant to seek specialist services, for example mental health services. If this does not end the dispute Housing NSW may seek specific performance orders. Should this not work it may seek termination of the tenancy or transfer the aggrieved tenant (where the dispute involves two tenants). OPTS's experience of agents in this type of dispute is that they either evict the tenant very quickly (even where there are no legal grounds under tenancy law) or they don't deal with the situation and it festers until someone voluntarily leaves.

#### **Assistance by Housing NSW in neighbour dispute**

Harold, aged 72 years, had lived in a Housing NSW seniors' complex for nine years. He contacted OPTS after receiving a termination notice due to an incident resulting in damage to a neighbour's property. This matter was before the local court. Harold had an ongoing tense relationship with a much younger neighbour and had no memory of the event described in the termination notice. At the time he had an adverse reaction to medication mixed with alcohol. He started drinking alcohol after five years of abstinence and took some medication prescribed by his doctor. After the incident Harold took himself off to hospital seeking assistance with his state of mental ill health. When the matter went to the Tenancy Tribunal OPTS successfully negotiated a consent order with Housing NSW. In the order Harold acknowledged the damage to the neighbour's property, undertook to not cause nuisance or interference with the peace, comfort and privacy of neighbours in the future. Harold, with the assistance of Housing NSW, arranged ongoing support counselling.

#### **Question for the Committee 6:**

If public housing tenancy management were outsourced to the private sector, what specialist skills would they have (for example social work, psychology) to manage tenants with complex needs?

#### **6. Conclusion**

Based on its evidence, CPSA is not convinced that tenancy management in Housing NSW outsourced to the private sector will provide positive outcomes for tenants. The private sector will not have the essential skills needed for management of tenants with complex needs. Unlike Housing NSW, the private sector does not have the years of experience in managing tenants with complex needs. Housing NSW must remain the only provider of tenancy management to Housing NSW tenants.

The Committee must investigate the contractual arrangement between LAHC and Housing NSW. It may well find that if Housing NSW is directly funded from consolidated revenue and many of the layers of bureaucracy are removed from the current arrangement, it is likely to result in considerable savings to the NSW Government.