



ACHIA RESPONSE TO THE REVIEW OF THE NRSCH ON BEHALF OF MEMBERS

Introduction to ACHIA

ACHIA is the industry peak body for Aboriginal Community Housing Providers (ACHPs) in NSW. Members are organisations which as a part of their activities provide housing wholly or predominantly to Aboriginal people and which are under Aboriginal community control.

This submission is based on several sources of information from the ACHP sector, including:

- Discussion with the ACHIA Interim Committee members
- ACHIA member surveys
- Formal and informal consultation
- Discussions at capacity building and other events and
- Direct feedback from the sector and community members.

ACHIA has been working and consulting with its members and the sector as it builds capacity to transition to the National Regulatory System for Community Housing (NRSCH) or NSW Local Scheme. Many ACHPs face common issues in preparing for this transition.

Improving Aboriginal cultural competency in community housing

The review is an opportunity to support Aboriginal cultural competency in community housing. ACHPs and indeed many mainstream CHPs would like to see the NRSCH recognise and foster Aboriginal cultural competence amongst all providers as part of its core purpose and we strongly encourage the introduction of an Aboriginal cultural competence Performance Outcome or similar framework within the revised NRSCH.

Cultural competency of the system

A linked concern is the NRSCH's ability to recognise alternative models of governance which include cultural obligations.

Many ACHPs have raised concerns about a loss of identity in joining what is perceived as a mainstream regulatory regime. ACHPs have said that they believe that joining the NRSCH means that they lose the "A" in ACHP". This reflects on their perception of the Aboriginal cultural competence of the system as a whole – including the system's capacity to reflect and acknowledge an Aboriginal service delivery model that supports and values families as well as traditional landlord functions. The review is an opportunity to address the issues of cultural competency in the regulatory system and to build additional cultural competency in registrar's offices and staff teams alongside a much needed increase in resources for registrars.



Our members' position is that the NRSCH needs to be more sensitive to culture, the very significant impact of remote locations, and fit the landscape of communities rather than making the communities fit the standards. Members report misalignment between NRSCH benchmarks and where we are as a sector and where the system expects us to be. This is not as simple as adopting the right policy and cleaning up financial books. It's about complexity of managing Aboriginal Housing stock across the sector, meeting cultural obligations and re-shaping our organisations to meet the requirements of quite an unfamiliar and complex system.

Financial viability of the sector

There is widespread concern amongst our members that due to a range of contextual and structural issues, many ACHPs may not be able to meet current NRSCH requirements for financial viability under Performance Outcome 7. The regulatory system needs to be able to recognise that ACHPs often house more people on the lowest incomes in the whole social housing system. Many ACHPs also face greater challenges than other social housing providers because of the remote locations.

Many Local Aboriginal Land Councils (LALCs) have inherited Aboriginal stock from former missions and reserves. Our members tell us that responsibility for former missions and reserves has a huge impact on financial viability due to the age and an historic lack of property maintenance. Many former missions and reserves also lack critical infrastructure such as reliable water or sewerage and tenants expect the LALCs or ACHP managers of the properties to address these shortcomings without any resources to do so. Many former missions and reserves are also registered as a single lot, making any potential re-development complex and expensive.

It must not be forgotten that many people living on former missions and reserves were forcibly moved to these locations. This, in combination with the dilapidation of many of the properties makes it extremely hard to ask tenants to pay high levels of rent or for Aboriginal controlled organisations, managing Aboriginal housing, have to make business decisions to move away from cultural obligations and to take Tribunal action.

These are the cultural obligations we have as Aboriginal providers. These don't align with the NRSCH benchmark standards. Some members have told us that it is unlikely that any ACHPs managing former missions or reserves will be able to meet the requirements of PO 7. This is not due to failures in current management but due to structural and systemic issues that are beyond the ability of individual ACHPs to address.

Because of these legacy issues around the property they own / or manage; the rent models they have been required to use and in some instances culturally informed practice may require temporary modifications to the performance thresholds or requirements.

Support for new entrants to the NRSCH

The Review is around the current system, but ACHPs are having and see challenges with entering the system. In some jurisdictions, Registrar's office doesn't have an appropriate ability to share information for aspiring organisations wanting to enter the system. In NSW the Registrar's office has made its best efforts to support new entrants with a pre-Registration capacity building process.



This has been well received but it is time consuming and we are aware that the Registrar has limited resources and need more suitably qualified staff to support this process.

ACHIA's view is that meeting the requirements of future compliance rounds may be more challenging than the initial registration. Compliance rounds also need to come with a program of capacity building which will need to be delivered externally to the Registrar as they would likely be a conflict between the regulatory and capacity building roles.

Mutual recognition between different regulatory regimes

ACHPs in NSW asked for the review to ensure that mutual recognition between the different regulatory regimes in operation in the sector was incorporated. ACHPs have a complex regulatory environment which is different to mainstream providers. For example ACHPs may have to comply with systems maintained by the Office of the Registrar of Indigenous Corporations (ORIC) or the NSW Aboriginal Land Council's Community Benefits Scheme.

The current NRSCH 'wind up clause' eligibility criterion should be reviewed to allow exceptions where the organisation (as is the case of NSW Local Aboriginal Land Councils) providing social and affordable housing is unable on legal grounds to satisfy this requirement. We accept NSW has introduced a local scheme but this does not fit well with the principle of one system.

We believe that there needs to be a whole of government approach to address the compliance regulatory system. As a national regulatory system, it appears that other regulatory bodies have not been not considered. This applies not just to NSW, but across Australia. Regulation also needs to take into consideration unique impacts on ACHPs and Aboriginal people – that of dispossession and repossession of the land.

A new approach to Tier 3 organisations

ACHIA believes that that current one size fits all approach to Tier 3 organisations needs to be amended. The requirements to complete the Financial Performance Report at each compliance round is a financial burden on small organisations and Tier 3 CHPs are currently over regulated. The NSW Registrar's current Tier 3 pilot – which make distinctions between different types of Tier 3 and could include more appropriate levels of regulation for small organisations is along the right lines and broadly supported.

Recommendations

There is a real risk that the ACHP sector will be set up to fail if structural issues that lie outside control of individual ACHPs mean that ACHPs can't be registered or cannot meet requirements of compliance rounds.

ACHIA believes that there needs to be some flexibility built into the system in recognition of ACHPs unique and irreplaceable role. If there isn't this flexibility there is a risk that the ACHP sector will be wiped out or completely mainstreamed.



In particular ACHIA recommends that the impact of former missions and reserves be taken into account when registering ACHPs – either by a temporary variation of standards that could converge over time or by the temporary exclusion of former missions and reserves from Performance Outcome 7 thresholds and while the sector advocates for investment from State and Federal government.