

Targeting - Issues from the Coalface

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Introduction

I find myself in an unusual position in that I work for an agency that focuses on people with a disability. As such many would assume that I would be a strong advocate of targeting because it will improve my constituents access to government funded housing. Yet daily, I find myself questioning or even despairing at the results targeting has for tenants and provider organisations.

My agency has as its statement of purpose "to improve housing opportunities for people with disabilities". Whilst we limit our housing provision to people with a disability it remains a fundamental philosophy of the organisation that we want people with a disability to integrate into their communities and be accepted into mainstream services.

I also have extensive experience working with homelessness services and I see parallel issues. I think that in the long term we do people a disservice if we promote services systems that cater only for minority segments of the population.

The Political Climate

The common catchcry in a political climate that is dominated by a push to reduce taxes, limit areas of government intervention/assistance and let market forces prevail is "better targeting".

It is the favourite theme emanating from governments of all political persuasion. It is also a term very dear to politicians and bureaucrats who perceive their primary role to be to cut the cost of government programs. Most of us are only too well aware that it is the accepted euphemism for rationalising service provision by reducing access.

How Does Targeting Work in Housing

In a housing context targeting manifest itself in three main ways;

- Limiting eligibility for housing assistance,
- Periodic tenancy reviews to test continual eligibility, and
- Preferential allocation systems.

There have been some dramatic changes in allocation policies in Victoria over the last couple of years in order to achieve the above objectives. I would argue these experiments in Victoria have resulted in some quite undesirable or even perverse outcomes.

I intend to discuss some of the impacts both in terms of the immediate and also in trying to look at the longer term effects.

I will conclude by speaking about how an agency such as where I am employed, attempts to wrestle with the dilemmas increased targeting creates.

Impact on Tenants

First I want to flag some of the impacts from the perspective of social housing tenants.

Subjective allocation policies

Again the theory sounds tantalising 'people with higher needs will go to the front of the queue,' yet the practice is indeed problematic. The combine effects; stricter eligibility criteria and the introduction of preferential segments, has shifted a new burden of proving your worthiness for assistance onto the applicant. In order to qualify for the priority segments people have to be able to document their recent history of failure to maintain housing or collect a minimum of 5 letters of rejection from real estate agents advertising properties at less than 55% of the applicant's income. These processes are demeaning to individuals and reinforce the whole notion that social housing is only for society's rejects. *The application criteria are colloquially known as the prove you're a loser tests*

Lack of choice

With the emphasis on social housing being a scarce resource there is definitely an emerging attitude that it is a privilege not a right. This is reflected in a hardening of attitudes to applicant's right to choose housing types and locations. Applicants are allowed one offer in a broadbanded area (sub region), if rejected then you are considered not to be needy enough. Again this defies logic as most often people with high needs do need to be sensitively located in the most advantageous positions if they are going to enjoy successful long term housing. *The 'beggars can't be choosers' culture that is being fostered by agencies is both insulting and counter productive.*

Stigmatisation

Any service system that sets itself up to cater for those with special needs is in danger of stigmatising those people who use that service. Social housing agencies are being transformed into welfare housing services. Where once a tenant could be proud to be a member of a Co-op or a Housing Association or enjoy anonymity in strategically acquired public housing now they are being labelled as welfare clients. This stigmatisation pervades throughout and unfortunately if social housing is restricted to highest need clients anyone who resides in it ends up as being categorized as special needs and shunned within many communities.

I can feel the label 'welfare dependent' coming on.

Marginalisation

Besides the personal exclusion there is also the danger of marginalising groups especially in terms of the political process. One of the great lessons of our public health system is that because of the existence of Medicare and the broad cross section of society that use the public hospital system community expectations are kept high. Australians expect good public hospitals because the middle classes use them.

Government's who ignore this do so at their own peril - ask Jeff Kennett. However if a service such as public housing is limited to the bottom 2 percent of the social strata there is no doubt it will deteriorate into third class service system as the consumers will be restricted to the most powerless individuals in the community. I consider that in the longer term if we only focus *on dealing with the 'pointy end' of the market that social housing tenants will become the forgotten class in Australian society.*

Disincentives

Another danger with allocating stock on a needs basis is that it encourages people to develop needs in order to qualify quickly. It certainly is a thought provoking experience to be approached by people suffering high housing stress who are determinedly hanging onto an overpriced sub-standard private rental property whilst they wait years to be allocated a public house. When you are fully aware that the offer will never come because any applicant in crisis will be allocated housing before them. There is a temptation to advise them that the best path to an affordable house is to stop paying their rent, get evicted, then admitted into a crisis service then they will be allocated an affordable house. It indeed seems *a perverse public policy when true battlers who make great personal sacrifices to keep on coping are disadvantaged whilst the less responsible are rewarded.*

Also the obvious effect of regular reviews of your lease to test your eligibility is sending a clear message do not improve your income status or your dependency on support services if you want to retain your social housing. *This creates obvious disincentives for tenants to improve their lot,* yet another very counterproductive impact of increased targeting.

Impacts on Providers

There are also impacts on our ability to run successful operations when limited to only housing highest needs people.

Financial

The financial impacts are fairly certain, it is obvious that housing people on the lowest incomes and with high risk factors in terms of arrears or property damage increases the costs of running business. It is made even more risky that once a tenant improves their situation there is an expectation that they will move out of the social housing stock. A better aim would be for household incomes to improve so that a proportion of the stock was yielding rents close to the market and effectively subsidising other properties. *Under targeting policies the level of subsidies required to effectively deliver and maintain highly targeted stock will soar.* This continually raises the spectre of criticism of social housing agencies as being too costly and a drain on public monies.

Staffing Issues

In any work environment staff need to have successes if they are to continue to perform for any length of time. To expect people only to deal with high needs clients will have an impact on the workforce within social housing services. The principal that you reward improvement in ones life circumstances with a requirement to terminate your tenancy is sure to have ramifications for workers. *Shortsighted policies like this will undermine job satisfaction and begin to impact on agency's ability to deliver quality services.*

Role Models

It is imperative in an organisational sense that housing providers set expectations in regard to responsibilities. The first available tool to housing workers used to be to be able to offer people the opportunity of a truly secure tenancy in order to elicit their commitment to the property. The next best tool is the use of role models in other properties to set goals and also to demonstrate people's potential and raise their aspirations. *The implementation of limited tenancies and periodic reviews undermines these two effective strategies in establishing successful tenancies.*

Community Integration

Most agencies work with the explicit intention of becoming acceptable and legitimate businesses within their own communities. Again this is made difficult if the organisation becomes synonymous with having only problem tenants. A broader social mix among tenants and the ability to foster long term tenancies with successful tenants are essential components of establishing an accepted and respected business.

An Agency Response

Operating in Victoria there has been increased pressure to accept the policy directions of the funding agency the Office of Housing and adopt the so called reforms as outlined above. It becomes a difficult balancing act when an agency requires the funding support but believes policy it is being required to implement disadvantages its service users and ultimately will undermine the viability of the organisation. However even in the most unenlightened times one has to continue to strategically push for things that you believe will work.

Remain a Housing Agency

The main strategy we are employing is *to continue to focus on being a housing provider and not viewing ourselves as a welfare agency.* It is true many of our tenants do have different level of need for welfare or health services but we have separated these needs from their housing provision

It is important to our agency that we identify with the broader social housing network rather than the disability or the homeless person sectors. We also continue to support other housing providers including public housing, cooperative housing or housing associations to attract a broad social mix of tenants because it is in the interest of our constituents to be part of a broader group.

Normalise Housing Stock

It is imperative that we acquire stock that looks and feels like normal housing. Whilst we wish to develop housing for people with special needs, *it can and must be built to blend into normal community settings.* This is important for tenants to enable them to be proud home occupiers and not to feel like every person in the neighbourhood views them as a welfare case living in one of those subsidised houses.

Adherence to Tenancy Legislation

A commitment to providing tenants with full rights and responsibilities as defined in tenancy legislation is important in maintaining agency's focus and respecting tenants. There has been pressure from parts of the welfare sector to exempt their 'clients' from

coverage under the Residential Tenancy Act as it is not always convenient for the service provider. ***Housing agencies must resist any attempts to water down coverage for properties they manage if the social housing sector is going to develop into a significant form of tenure in this country.***

Retain Nomination Rights

Government has threaten to establish centrally managed vacancy systems purportedly in the name of efficiency and fairness. Any housing provider with any understanding of how to make a housing service functional knows ***that allocating people to the best housing option to meet their needs is a far more efficient and successful practice than placing people in the first available vacancy.*** It is equally important to develop choice for people both in a sense of respect for consumers and in a business sense, in that once people have exercised a degree of choice they are more committed to the tenancy and in the long run are more likely to engage as successful tenants.

Relations with Support Agencies

We have developed formal protocols with various support agencies that commit them to assisting tenants who are experiencing difficulties meeting their obligations under tenancy agreements. Equally important these protocols ensure that rights to occupy properties are not withdrawn when a tenant's need for support diminishes. This is important in terms of offering a sense of security to tenants as well as encouraging people to progress to be independent tenants. It is not all about altruism either, ***we recognise that we need a majority of successful tenancies at any giving time if we are going to remain a viable business.***

In summary, I would like to conclude by saying very clearly that whilst our constituents may be people on low incomes or those in danger of being excluded from mainstream services they are best served by social housing providers who are committed to being mainstream services providing long term secure, affordable housing with responsible business practices.