

COMMON EQUITY NSW

Newsletter

2022 WINTER EDITION

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COMMON EQUITY
CO-OPERATIVE
HOUSING

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*Do you have a
story to tell?*

*Let the sector know what your
Co-op has been doing!*

*Contact nicole@commonequity.com.au
or call 02 9356 9223.*

Acknowledgement of Country

We acknowledge the traditional owners of the land throughout Australia and pay our respects to them, their culture and their Elders, past, present and emerging. Always was, always will be Aboriginal land.



A message from the CEO

Welcome to our 2022 Winter edition of the Newsletter. As I write this winter has definitely arrived with a cold snap hitting eastern NSW. This is not the only change in the air.

We now have a new Federal Labour government with a housing platform which we hope will create new supply for social and affordable housing via a Housing Future Fund. Strategies to address the growing housing affordability crisis are desperately needed. We will work hard to make sure co-op housing is positioned for any new opportunities. And whilst COVID-19 looks like it is here to stay, it is wonderful to be able to begin to meet co-ops and tenants again in person rather than online. The opportunity for face-to-face contact again is a much needed change.

As you know, these newsletters look to profile and promote our co-op housing sector and members, keep you up to date with key Common Equity projects and initiatives and help us communicate and connect with each other. This edition includes articles on the progress of our new Vietnamese Seniors development, a profile of our new Board Observer, a new regular section called Ageing

Well and an article from a co-op member offering a personal perspective on the history of title in the co-op housing sector in NSW.

Again, many thanks to our editorial board consisting of co-op members and Direct Managed tenant – Liz, Wayne and Loretta together with Nicole Stevens, Common Equity's Communications Officer for their time and valuable work in putting together another great newsletter. As always, we welcome any contributions and ideas about articles and information you think relevant for future newsletter editions.

I hope you enjoy this newsletter.

Nick Sabel, CEO



Meet Manasi Kogekar, our young gun on the Board!

The Board Observer Program is a year-long program that provides young people aged 25-40 with the opportunity to be placed on the Board of a not-for-profit organisation and learn how a Board operates.

What drew you to being involved in the Board Observer Program?

What attracted me to the Program was the opportunity it provides for young people to gain hands-on experience to improve their skills in governance, financial management and other areas.

I'm excited for the opportunity that the Program provides to not only learn about how a Board works, but also contribute my own skills and expertise to support key issues affecting the Australian community.

Tell us a bit about yourself and your experience?

I'm very passionate about social justice and supporting organisations that are creating a positive impact on society.

I recently returned to Australia after spending four years living and working in Nepal and really enjoyed working in a completely different country and context. It was a an eye-opening experience seeing how resilient, happy and easy-going people are over there despite facing so many challenges in their lives.

What do you hope to learn by being on the CENSW Board?

I am very keen to learn more about key challenges and opportunities within the community housing sector. I am especially interested to learn from the expertise of the lived experiences of the Tenant Members the Board and understand how the Board makes decisions and develops strategy. I am also keen to contribute my skills to support CENSW to look into new ways to raise the funds to increase the supply of co-operative housing.

THE NEW VIETNAMESE SENIORS DEVELOPMENT

Growing the sector together

Following a long process and a huge collaborative effort, CENSW is pleased to announce that the DA for our Vietnamese Seniors Co-operative Housing in Fairfield has been approved.

The new development will mean more affordable and Co-operative Housing in NSW. Co-operative member Thi Phan says of the development, "CEO Nick has met the requirements and aspirations of our Vietnamese Co-operative. Over the next year, at least 13 families will be delighted to receive these homes. Our waiting list for accommodation will also be shorter."

Being able to design our own site has given CENSW the opportunity to plan for housing that is Co-operative Housing specific and meets the unique needs of co-operative living.

Consultation opportunities were highly valued by all stakeholders. Co-operative member Mr Dieu Nguyen said, "I am very pleased with the consultation process in the new development conducted by

CENSW. Our feedback was heard and recorded for study."

CENSW, Lac Viet and Van Lang Housing Co-operatives worked collaboratively with architects at Stanton Dahl Architects to co-design the site.

Co-operative members provided input into cultural elements, access requirements and general layout that best suited their needs. The final design has responded to these by including an internal orientation of the buildings; a central outdoor common area; market gardens; outdoor cooking facilities; open walkways; and a lift to aid accessibility.

Construction at the site is expected to commence in the next few months.



Co-op Corner: This section is dedicated to opinion pieces from our members.

An opinion and overview

Title and Equity

By Wayne Stamp, Planet X Housing Co-op (2018, revised 2022)



1. An historical overview

The issue of title and equity has a long and varied history in the Co-operative Housing Sector of NSW that dates to its very beginnings in the Commonwealth State Housing Agreement from 1984. It is also connected, in NSW to the transformation of the Housing Commission into the Department of Housing (DoH, 1986 and subsequent developments) and to the formation of the Association to

Resource Co-operative Housing (ARCH, 1989).¹

This issue has been raised repeatedly over the years and especially in the negotiations with CENSW for the terms of the Company Co-operative Agreements (CCA's) that each co-operative signs as a member of CENSW. With this contract, the intention was that individual co-op funds, surplus to budgeted need, would be transferred to CENSW to address

any budget deficits with existing co-ops and to grow the sector independently of government, as a not-for-profit housing company with subtitle arrangements being held by CENSW on behalf of the sector and stakeholders. I note that there is currently an interim arrangement being trialled in relation to the calculation of co-operative rents, budget surpluses and financial contributions. For some member co-ops nonetheless this transfer of surplus funds interrupted the long-standing and historical belief that title would be transferred to individual co-ops as registered housing providers as it was included in lease agreements until at least the mid 1990's—by virtue of our sweat equity contribution. However, to my knowledge there was no formal mechanism put in place by DoH to achieve this outcome and it remained at the level of a promise and dropped from lease agreements; and this coincided with the formation of the Office of Community Housing (OCH).

2. Sweat equity— a brief introduction

The idea, as an inclusion of equity with title came to be known as sweat equity and as defined by Wikipedia it:

"is a party's contribution to a project in the form of labor, as opposed to financial equity such as paying others to perform the task."

As the footnoted diary quote indicates, the *"new scheme, entitled the Local Community Housing Program will provide opportunity for tenants to be actively involved in managing their housing."* This involvement was known in the co-operative housing sector as sweat equity and it is what a housing co-op and its members in NSW have always done, a non-financial but nonetheless vital contribution to delivering housing services to its membership with members meeting eligibility requirements determined historically by DoH, OCH, FaCS Housing NSW and now the Department of Communities and Justice.

Sweat equity was the idea that the sector and ARCH operated within the 1980's & 90's. It was somewhat diluted after 1996 with the internal division of DoH, separating public housing from community housing with the formation of the Office of Community Housing (OCH),

subsequent to the Mant Report.² Housing co-operatives were then managed by OCH with support and advocacy from ARCH; and one idea that was played with at the time was an exchange of title space for continuing affordability and security, though what form this would take was never determined in relation to individual co-ops; and, as Gary Luke (Emoh Ruu) has noted in private correspondence, the Community Housing Division was never receptive to this idea of sweat equity.

The advantages of the proposal to transform ARCH (an association) into CENSW (a not-for-profit company limited by guarantee) was stated in the disclosure statement to members that ARCH distributed with a ballot paper in 2009. The

concession to any community idea of title and to that of security, growth and development is contained by this business conversion such that any title (if any was to be granted) would be held collectively by CENSW. As mentioned in the disclosure statement:

Section 9.2 Advantages of the Proposal: *The company provides the structure necessary for the sector to be eligible to receive title to all the properties, or as a minimum, a long-term head-leasing arrangement. This allows a firm base for greater long-term security.*

And furthermore, that: *The company will be able to leverage the assets and borrow to expand the sector, with new co-ops, and new co-op models;"*



Taking care of Co-op business



3. CENSW

The mix of property and tenant arrangements currently maintained by CENSW property portfolio (with tenants) currently includes:

- Co-ops managed by a registered Board and accountable to CENSW through the CCA. Properties are sublet to co-ops and CENSW has a head lease with the Land and Housing Corporation (LAHC). Currently the lease agreements are rolling 3-year leases. However, the CEO (Nick Sabel) at the last AGM (2021) announced a proposed extension of leases to 20-years by LAHC, given this has been the term for management transfers to Tier 1 community housing providers (CHPs).
- Directly managed (DM) properties. The lease agreements will most certainly reflect the proposed changes; but the promise of title to 100

Stimulus Package properties is still being pursued.³

- Properties purchased and/or constructed by CENSW (and hence title) and tenants being selected for co-operative formation, e.g. Vietnamese Seniors.

There is also some interest being generated in the community about co-operative housing solutions as a shared company, peer and local initiative to address the significant social housing waiting list and the market failure to provide secure and affordable housing and rental properties. Any title arrangements that would follow upon an involvement by CENSW with such housing service delivery, is still a very open question, but it could indeed be a mixed equity arrangement. As these examples show, CENSW would be very interested in a mix of title arrangements and is thus seeking to expand its portfolio.

4. LAHC

The CEO (CENSW) reports that the LAHC is not at the moment transferring title to any housing organisation—co-ops or CHPs—with any of the transfers of public housing tenants and properties. These are management transfers rather than title transfers.

5. Concluding Remarks

Several issues emerge for me with this overview of title and equity and its historical values:

1. Some co-ops and members still believe that there is an historical claim to title because of sweat equity and the provision to purchase head leases (prior to 1996). I believe that any such claim was annulled in the transition to CENSW as the registered housing provider for the sector with all individual co-ops becoming members of CENSW. With this in mind, I do note Gary Luke's reminder of the document that all ARCH co-op members signed in 2009 when ARCH transitioned to CENSW in which all such claims may have been negated.⁴

While there may be an historical question of sweat equity and long term security in relation to LAHC properties and tenancies, co-ops in the meantime are bound by the CCA and

CENSW in turn is bound by a lease agreement with LAHC; and, as indicated above, LAHC is not currently transferring title to any community housing organisation. Were title to become available on any of the existing co-operative leasehold properties at some future time, CENSW would be the title holder as it has been constituted for the sector.

2. With the question of title, there is also a question of membership and other issues that are emerging as CENSW seeks to expand its housing portfolio. With that foregrounded, there needs to be such a conversation in the sector, sooner rather than later, since opportunities are now presenting themselves and CENSW and the sector are in a sufficiently healthy state to pursue such opportunities. To date, little conversation between CENSW and the sector has been devoted to this now historical question and its developments.
3. If we can no longer invoke sweat equity in the sector, as Gary Luke has maintained, then how do we value co-operative

labour and its contribution to our social housing success: how do we talk about it? As an example consider this: if social investment is all the rage at present then what collective enterprise has been demonstrated by co-ops not only in relation to their own successful management but also in relation to the formation and continued development of CENSW and the sector? The Disclosure Statement indicates the obligation that was agreed upon at the time with co-ops for the formation of CENSW and its co-op membership.⁵

This historical arrangement has now been modified and returned with the current trial of the calculation of co-operative rents and contributions. However this calculation is figured, this contribution was the finance that enabled the formation of CENSW and its subsequent operation, and financed to a large degree its continuing operations and development. The sector's financial contribution thus has quantifiable effects. Furthermore, with a new CCA under development the rent and financial contribution payable

to CENSW is still a quantifiable amount that will enable CENSW to survive, to administer the sector, support existing co-ops in need and to expand its co-operative housing portfolio.

And then there is that which is more and less than financial capital, and that is social capital: what is produced by the sector with co-operation and how this contributes mutually to the CENSW brand and to the viability of housing co-ops? Any new idea of sweat equity, or the contribution of housing co-operatives and their membership, would now need to consider both significant financial and non-financial contributions. A research project. Articulating Value in Housing Co-operatives is now underway and it will deliver an Australian evidence base for the ideological belief that housing co-ops are sustainable, resilient and provide social and necessary support for members.⁶

³Thanks to Gary Luke (Emoh Ruol), Sam Stott (formerly of Planet X) and CENSW for considered and valuable feedback which was taken into account for the initial draft of this article.

If you would like to comment or contribute, please contact nicole@commonequity.com.au

¹ Please note this reference from the "1984 Diary of Social Legislation and Policy" for further re-search on such legislation, policy, protocols and history: "21 August 1984: The Minister for Housing and Construction announced a new scheme, entitled the Local Community Housing Program which will provide opportunity for tenants to be actively involved in managing their housing." https://aifs.gov.au/sites/default/files/publication-documents/diary_of_social_legislation_and_policy_1984.pdf ² Inquiry into the Department of Housing: report / of Commissioner John Mant: NSW Commission of Enquiry into the Department of Housing, 1992. ³ "In June 2009, the previous Minister for Housing announced the transfer of ownership of social housing properties to selected not-for-profit community housing providers. This has been a significant reform for the sector as owning the properties that they manage gives community housing providers an asset base to secure private sector finance for investment in more housing." <https://www.facs.nsw.gov.au/providers/housing/community/provide/manage-your-contract-with-us> ⁴ "Resource Co-operative Housing Limited (ARCH) Disclosure statement to members for a special postal ballot pursuant to Section 194 and Section 316 of the Co-operatives ACT 1992 (ACT)" ⁵ "The obligations of members will be to provide the Company with an initial surplus identified as 50% of the co-op's unrestricted cash, and to enter into a Tenancy head-lease Agreement with the Company where the Member is required to pay 55% of rental income. Where an individual co-operative's viability is at risk, a smaller proportion may be negotiated. ..." ⁶ See the publication: "Articulating value in cooperative housing. International and methodological review", Louise Crabtree, Sidset Grimstad, Joanne McNeill, Neil Perry, Emma Power, January 2019

From global to local...

What does sustainability mean to you?

By Liz Bradshaw, Editorial Board member

In the last ten years the word sustainability has been stretched to cover many approaches to how we might live, and how we imagine the future in the face of climate catastrophe.

It has become hard to define, and a little lost in information – and disinformation – from public discourses in journalism, politics, advertising and industry, where science has often been downplayed or denied; 'greenwashing' has been used to keep selling us stuff; and individual actions and responsibility has been put forward as a primary solution to our global crisis while multinational corporations and governments resist change. It is easy to feel disheartened and even hopeless in the face of this kind of discussion and the reality of our human impact on the earth's ecosystems.

In 2015 the United Nations Sustainable Development Goals were adopted by all 193

member nations; and the UN Paris Agreement is a legally binding treaty on climate change signed by 192 members and the European Union. These goals aim to end poverty while protecting the planet, with nations committing to work together to achieve these goals in the current decade. They start from the premise that we live in such a way that we don't compromise the lives of future generations.

The UN identified areas in which development and change improve the lives of everyone on the planet. They also published accessible information on global

Have experience with an aspect of sustainability? Or examples of how your Co-op takes action for a sustainable future?

Let us know so we can share information and make connections in the sector.

action that provides international, national and local or even individual opportunities to help reduce greenhouse gases.

This sets out an approach to the future and to development across diverse areas: health, education, infrastructure, gender equality, housing, justice etc; as well as the more obvious need to restore land and water ecosystems. It now includes a framework for global recovery from the Covid-19 pandemic, which further exposed the depth of inequality within societies across the globe and the urgency to achieve change by 2030.

We can hope our new federal government steps up to meet these goals. In the meantime, there are concrete actions we can all take: check out the UN goals www.un.org

And information on the Paris Agreement and the Bonn Climate Conference 2022 www.unfccc.int/SB56



Common Equity NSW (CENSW) is taking a fresh approach to training and development for our Co-ops this year. The focus will be on tailoring our training to specific co-ops and grouping some co-ops with similar needs irrespective of location.

This will enable the Co-op Development Team to provide specific advice and support on an area that has either been requested or highlighted as a need. These areas will or can include governance, meetings, inspections, maintenance, conflict resolution, financial management and IT. There are also discussions about buddying up some co-ops with others to help them support each other with day-to-day management or questions.

It is important that we continue to build our communication channels and adapt to the changes that face us whether it be environmental, health, geography, or infrastructure. I believe that we can deliver a number of modules to delegates of boards or a board as a group which will empower each person and enhance the co-op experience.

Training and Development encompasses the quarterly Regional Meetings and the Co-op Housing Forum in August,



so I strongly encourage attendance at these to get first-hand information and learnings.

The other form of training and awareness is through the Newsletter and Bulletin in which we share upcoming webinars, general external training and/or links to recommended readings or posts.

Resources and support in the first quarter of 2022 have been on

digital confidence and improvements to our IT support. This has been due in part to COVID and restrictions on face-to-face contact, but CENSW is committed to streamlining the business processes through the website portal, which will form part of the training later in the year. Any questions or feedback, please email Matt Spanko on matt@commonequity.com.au



In the Spirit of Co-operation

By Ingrid Dewhurst, North Coast Women's Housing Co-operative

The recent floods on the North coast devastated our communities. Many are still homeless although the government is providing temporary solutions with housing through various channels like mobile homes - demountable shipping containers even tents.

The Co-op is built out of the flood zone, so our houses are fine although driveways have washed away and fallen trees and roads have been affected by landslides along with a lot of infrastructure. The army has helped with roads to access communities.

A Northern Rivers Reconstruction Committee has been formed.

Lismore is like a ghost town some people have gone back and are living in tents or pods. The massive job of recreating life. Sourcing materials and tradespeople are difficult although we have had many volunteers helping with the mud army. The Army is doing a fabulous job cleaning up rubbish and washing mud from houses. I don't know how we would have coped without them.

Serious discussions are being held on how to build the town better and make houses and business opportunities flood-proof. Co-operatives could be the answer to social housing. People have been cooperative through the floods - local people, neighbours saved neighbours, it was because of this cooperation many survived. The Northern Rivers have heart and strength and have proved they can come back better than ever.

The photos on the right are of schedule 3 maintenance works done at our co-op. Some large trees needed to be removed and pruned. This is important for air flow around properties, so you don't get mould. Our properties have had huge mould issues so thank you to CENSW!

Our tree lopper guys are doing



it in stages as it has been too boggy for machines to get in. It's great to finally get some work done as we have been rained in for months.





APRIL 2022

Regional Meetings

The meetings were run a little differently and were open to all members and held via Zoom. Below is a summary of issues discussed at both meetings.

- A new position of Corporate Services Manager (CSM) was created which will oversee Finance, IT, HR, Compliance, Office Management, focusing on service delivery to Co-ops.
- Rapid Antigen Test (RAT) kits are available for co-ops, please email Matt at matt@commonequity.com.au
- The 20- year lease needs to be looked at to ensure it aligns with the CENSW Co-operative Agreement (CCA). Consultations with the sector will take place later in the year. A letter to extend the current CCA for an additional year will be sent by the CEO soon.
- Annette Maguire and Louise Crabtree Hayes from UWS spoke about their research project Articulating the Value of Housing Co-operatives in Australia. The purpose of this study is to recognise what Co-op members bring to the Sector and to raise the visibility of Housing Co-ops. Members were encouraged to participate in the surveys and interviews. <https://www.youtube.com/watch?v=aEmF3lylvr4>
- Staff from Yourlink spoke about the Digital Confidence training planned for May and June. The purpose is to assist people to learn how to use their smart devices (mobile phone, tablets) better.
- No rent reviews have been conducted for the past 12 months. CENSW will be overseeing the reviews in 2022 and will work with Co-ops who need assistance.
- The Co-op Forum will be held face-to-face on 27th August 2022. An agenda will be available soon.
- The pilot project, Common Equity Co-op Connect (CCC) aims to enhance 6 Co-ops with new hardware and software to improve communication and administrative duties. The member portal on the website will also be updated.
- Final consultation with the Vietnamese Seniors Co-op on the new development occurred in early April. Construction is expected to start towards the end of 2022.
- The Foster Domestic and Family Violence (DVF) project gained approval under funding provided for DVF focussed developments. Initial discussions with relevant services have commenced. Plans and DA approvals are in the consultation phase.
- The Co-op Development and Property teams are working on training to be tailored for individual Co-ops or as a group. Key dates will be shared in the Bulletin.

Ageing Well

By Chris Ryan. Chris is on the board of CENSW and a tenant/board member of Planet X Housing Co-op, he's a Capricorn, listens to disco music and likes to do Tai Chi in the park.

As Common Equity has been rolling out their fantastic Digital Training Program of late, I thought I might bring your attention to another great digital resource.

Be Connected is an Australia wide initiative empowering all Australians to thrive in a digital world. The site is easy to navigate and can be a bit of fun. Starting with The Topic Library which has easily laid out information from The Absolute Basics to Internet Banking and Using the Cloud or Advanced Online Security. A great resource that you can engage with at your

own leisure, in your own time. My personal favourites are the two sections, Prepare to set up your pre-owned PC and Prepare to set up your pre-owned Mac, now someone's really thinking here because my Mac was certainly pre-owned. The site also has a practice area, no fear of stuffing up here, just think of it as a playground or work-out area for your advancing skills.

There are also Free Online Safety Presentations and a Network of community partners called Be Connected Network, who offer support so you can develop your digital skills and confidence. Find a local place for friendly help and advice or join the Network to help others.

If you are 50+ and want to develop your digital skills and online safety knowledge you can book into the webinars offered on the site.

Also, if you are like me it's the passwords that can turn your day into a digital nightmare, here's a little hack that might help on YouTube video – How to create a strong password:

[youtube.com/watch?v=aEmF3lylvr4](https://www.youtube.com/watch?v=aEmF3lylvr4)

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