

9 July 2015

Senate Standing Committee on Economics
PO Box 6100 Parliament House
CANBERRA ACT 2600

Dear Chair and Senators

Common Equity NSW Ltd oversees the management and support of housing co-operatives across NSW. We are a nationally registered tier two community-housing provider and operate almost five hundred tenancies in NSW.

We appreciate the generous extension to our submission along with the opportunity to submit to the inquiry on the role, importance and overall performance of co-operatives, mutuals and member owned organisations in the Australian economy.

Your Sincerely

Robyn Cahoun
Chief Executive Officer

COMMON EQUITY NSW LTD

Submission to the Senate Economics References Committee into Co-Operative, Mutual and Member-owned firms



July 2015

Introduction

Common Equity NSW Ltd welcomes the invitation to submit to the Senate Economics Committee Inquiry into Co-operatives, mutuals and member-owned firms in Australia. Our organisation is committed to supporting housing co-operatives in NSW, providing secure and affordable tenancies for co-operative members. Co-operatives can represent an important alternative to government service providers and this is particularly the case in the community-housing sector. In addition to social benefits, housing co-operatives can deliver services effectively and efficiently while increasing consumer choice and control.

CENSW Ltd is making this submission to highlight the economic and social contribution of housing co-operatives and the capacity that they offer to address the challenging issues of social and affordable housing provision.

“Mutuals and co-operatives are grassroots businesses owned and operated at a local level to contribute to local economic development and demonstrate strong potential to empower communities through partnerships and cooperation” (McClure 2015). Housing co-operatives are founded and operated in this framework and are small but efficient deliverers of social and affordable housing in local communities.

Background

Common Equity NSW Ltd (CENSW) was created in 2009 to oversee the management and support of housing co-operatives across NSW. It is a nationally registered Tier two community-housing provider and operates almost five hundred tenancies in Sydney and various regional centres across NSW.

Housing co-operatives are independent entities that have their own governance structure and rules. They operate under Common Equity with agreed delegations to manage tenancy and some aspects of property maintenance. Each co-operative has its own constitution and unique structure with some co-operatives able to manage these areas with minimal guidance from Common Equity and others requiring some degree of support, guidance or dual management. They each have their own specific communities and represent such groupings as seniors, women, family-specific, artists and ethno specific. People joining the co-operatives are eligible for social or affordable housing and their rentals are adjusted in accordance with their incomes.

Co-operatives provide a unique framework for tenants to learn community and good neighbour skills as well as understanding responsible tenancy and the care and maintenance of property. They develop skills as both a landlord and tenant and develop an understanding of the value to all of responsible tenancy and the avoidance of rental arrears.

The Problem –

Challenges in Social Housing NSW

In NSW, the Department of Family & Community Services released a Discussion Paper in 2014. A number of challenges exist in NSW and more broadly in Australia around social housing. There are great pressures and challenges within the current system including limited opportunities and pathways for tenant independence. “More than 50% of all public housing tenants in 2012/13 had lived in their housing for 10 years or more”. Also, many public housing tenants are at risk of “deep and persistent social and economic disadvantage”. Further, social housing tenants have poor social and economic outcomes including high levels of unemployment and poorer health as compared to the general population.

Adding to the challenge for public housing across NSW is the trend for tenants to stay for longer periods meaning that there are fewer opportunities to assist new people (FACS 2014). “Average tenure has increased from 10.7 years in 2008-9 to 11.9 years in 2012-13 for public housing and AHO (Aboriginal Housing Office) tenants”.

“The current NSW social housing system offers a limited degree of choice and opportunity for tenants” as compared to the private market. While affordable, due to income-based rent models, some live in highly sought-after areas or new homes, while others do not.

Over 250,000 people currently live in social housing in NSW, with limited pathways to improve their circumstances. The social housing system needs to deliver much better outcomes for tenants and their families: providing stable, affordable housing is vital to people’s wellbeing, but the social housing system also needs to give tenants and their families opportunities to stabilise their lives, engage with education and training, and gain employment. Moving successfully and sustainably into the private rental market supported home ownership or outright home ownership needs to be a realistic ambition for more social housing tenants.

How Co-Operatives Can Help

Housing co-operatives form a unique subset of the community-housing sector in Australia. As with other community housing providers they have the capacity to:

- Leverage their asset base and income streams to attract private finance;
- Develop affordable housing to deliver new dwellings for key workers and other moderate income earners;
- Access Commonwealth Rent Assistance as an additional income stream;
- Build communities and neighbourhoods;
- Hold charitable status, which brings tax concessions and other advantages.

In addition, housing co-operatives provide an excellent model of tenant based management which offers corresponding high yield social value. Any consideration of complex social problems requires social initiatives and accelerants that can work synergistically with economic initiatives. Housing co-operatives offer that opportunity. The Common Equity model further enhances this approach because it offers the strength of an enterprise model (umbrella organisation maintaining efficiency of management across the sector, compliance assurance and development potential) in combination with a localised, tenant driven operation. Common Equity type models operate in NSW, Victoria, South Australia and Western Australia.

Role, importance and overall performance of Co-Operatives in Australia

Co-operatives represent an alternative to government service providers particularly in the community-housing sector. In addition to social benefits, housing co-operatives can deliver services effectively and efficiently while increasing consumer choice and control.

“Co-operative and mutual public services have potential to drive the reshaping of mainstream services” Hon Kevin Andrews MP, Minister for Social Services, 2014.

When looking for innovative ways to deliver services more efficiently and to build individual and community capacity, the track record of co-operatives and mutuals delivering social services in Australia is a compelling option (Hems et al, 2014).

The White paper delivered by Hems et al (2014) provides significant evidence for the role that co-operatives should be playing in the delivery of social services in Australia. In particular a new approach is required for the emerging challenge of “wicked” social problems. These “wicked” problems are defined as “intractable social problems that require new approaches” such as the burgeoning demand for social housing and the increased pressure in capital cities to produce affordable housing.

Housing co-operatives in our model bring social entrepreneurship to the management of social housing. The value of the co-operatives is that it combines the strengths of both the public and the private sector. An organisation like Common Equity NSW Ltd is independent of government, yet understands government’s needs and priorities, and is experienced in implementing government objectives and exercising stewardship over public assets.

Although Common Equity is not a private business, the organisation operates with a commercial approach to decisions and a strong focus on viability while at the same time having an awareness of the social impact of decisions. All profits are re-invested into additional social and affordable housing and other services, making it part of the social housing system. As part of that system, it is capable of generating real growth and operating as a vehicle for private investment in the essential infrastructure of housing.

Economic Contribution of Co-Operatives

The key issues facing public services in the area of public housing are ever increasing demand, high complexity, increased costs and decreased resources.

Co-operatives in the housing sector can help governments to achieve multiple outcomes including:

- User choice and control
- Efficiency
- Productiveness
- Innovation
- Return on Investment

“Housing is essential to support employment, education, job search activation and health” (McClure 2015). Co-operative housing provides stability for members and enhances their opportunities to engage in the workforce.

In addition, co-operatives and mutuals can intersect effectively with other strenuous demands on the economy such as the ageing population. The nature of co-operatives is that they work well as intentional communities and communities of collegiate spirit and collaboration. Common Equity operates older persons’ co-operatives that provide mini communities as well as secure housing. At our Vietnamese co-operatives, Lac Viet and Van Lang in southwest Sydney, the communities employ a part time officer to assist them with administrative activity and to assist in co-ordinating group activities such as outings and Tai Chi. In addition, many of the tenants receive community care in their homes. The structure lends itself to retirement community models and ageing in place and is particularly effective for those without assets who need to remain in a rental environment in their senior years.

The economy receives more than just financial value from the sector. With strong community links and member ownership and control, social enterprises have value comprised in:

1. Nurturing social capital and community ownership structures
2. Long-term views of community needs
3. A collective bargaining method for smaller enterprises
4. Reinvesting profits into the local community
5. Democratic governance
6. Broad social objectives

Financial measurements do not adequately capture the social value of the sector and therefore there is insufficient acknowledgment of the value and importance of the sector to the Australian economy.

There are numerous papers and reports which identify the substantial value proposition of housing co-operatives including community cohesion, wellness, effective resource management, tenant participation and tenant reliability (Gilmour 2012, 2013; Onyx, 2011; KPMG 2012). The long-term involvement of tenants with their homes and intentional community is beneficial to people providing a sense of place and commitment. In addition, the skills developed in operating their own enterprise assist with confidence building that often leads to employment and a more varied income stream.

“Mutuals are great examples of social and economic participation” McClure 2014.

Co-Operative Housing and its impact on the Economy

“Co-operatives and mutuals have the potential to generate better social outcomes, greater value for money, higher returns on investments, greater economic and social resilience, and higher levels of consumer engagement and employee wellbeing.” (Gillian McFee, Public Service Mutuals Whitepaper, 2014)

In a submission to the Open Ideas section of the NSW Premier’s Initiative (2014/15), the NSW Federation of Housing Associations submitted a blue print for community housing providers addressing the challenging issues associated with social housing provision. Co-operative housing, as part of the broader community housing sector, can be part of this solution and can offer the greater value-add of its localised community focus and tenant driven management. An extract from the Federation’s submission is listed below and highlights the economic opportunity to Government offered by community housing and housing co-operatives:

Extract

- *“Take over management of all existing social housing properties and tenancies, on long term leases (30 years approximately). This timeframe is necessary to enable the short, medium and long-term work required for the transformation of the system. The industry can achieve much more by way of leverage of private finance and portfolio management if title is vested, however the initiative is achievable without the transfer of title, provided that community-housing providers are entitled to exercise sufficient control of the asset.*
- *Implement active portfolio management to ensure that the social housing asset base supports the role of the system as a pathway to opportunity. This includes ensuring that properties meet tenants’ needs and are located close to transport, education, employment and key services.*
- *Work with the NSW Government to develop innovative rent and eligibility policies, which overcome the existing workforce disincentives inherent in income-based rent setting. This will include a more flexible subsidy to tenants, which may decrease over time or be “flexed up” where necessary, enabling more tenants to take up opportunities without the risk of falling into homelessness. It will also allow former tenants to return to social housing, within an agreed window if their circumstances deteriorate e.g. their employment is unstable or their family’s support needs increase. Additionally it allows the community-housing provider to continue to support former tenants in the private market, for example, by brokering private rental or providing support to help maintain tenancies.*
- *Work with the NSW Government to link up the effort and investment across agencies, including education, health, corrective services and family and community services, by focusing on individuals and communities. At the moment, the social housing system effectively picks up the cost of other agencies’ failures. Community housing providers will build on their position at the coalface of social housing to develop a sophisticated analysis of social housing tenants and their*

families, as well as those on the waiting list, in order to tailor the package of subsidy, support and incentives as appropriate.

- *Work with the NSW Government to establish a baseline, from which change can be measured over the short, medium and long-term, to identify the most effective ways of breaking the cycle of disadvantage and providing genuine opportunities for some of the State's most vulnerable citizens to achieve greater education, employment and productivity"*

CENSW Co-Operative Housing

Common Equity NSW Ltd has identified some specific methods of working with Government regarding the provision of social housing in NSW. These methods are in addition to the broader initiatives suggested to Government regarding the way the whole community-housing sector can interact with Government regarding social housing. The short examples following highlight the flexibility of co-operatives in responding to the challenges in the social housing system. The three initiatives highlight methodologies that can interface in a variety of ways with social housing through:

- i) Working with existing communities and assisting them to transfer out of public housing and into a more empowered and self-managing model;
- ii) Assisting specific target populations to bypass entry to public housing;
- iii) Working with existing public housing communities to establish co-operatives within the public housing system.

Initiative One:

Common Equity NSW Ltd has submitted an EOI to the NSW Government to consider setting up a demonstration project to work with a targeted intentional community residing in public housing with a view to moving that group to a co-operative model of operation under Common Equity. We anticipate considerable benefits to that group through such a transfer and believe there are many other intentional communities residing with public housing that would prosper under a co-operative model of tenant management. Identification of these groups following a successful demonstration project could provide an exit strategy for many from public housing and the achievement of the many social benefits that operation in a co-operative model brings to tenants. Such a process provides government with a framework for not only considering assets transfer but also, how best to support people in a transfer process and support existing communities

Initiative Two:

Common Equity NSW Ltd will shortly submit a proposal to Government in partnership with another not-for-profit agency to establish a supported co-operative for a specific target group of younger people who tend to gravitate to public housing. The intention is to provide living skills as well as good neighbour and tenant skills (through the co-operative model) to these young people and assist them to transition to co-operative,

community or private market rental housing over a two year system and by pass the public housing system altogether.

Initiative Three:

We are hoping to work with the Business Council of Co-operatives and Mutuals, Common Equity Housing Limited Victoria, NSW Family and Community Services and a group of 100 tenants in a public housing building in Sydney to form a co-operative within public housing.

Economic Return on Investment

In Australia and overseas, housing co-operatives have been effective financial managers of housing for decades because tenants have a sense of ownership and control in their management. In addition, they have demonstrated numerous social returns on investment such as better health, improved personal financial management, increased community inclusion, reduced costs in intensive child support, and access to educational and training opportunities. Co-operative members are expected to contribute both time and ideas to their community. The Co-operative model is very different from the welfare model of dependency and detachment. Sweat equity, pride in place and capacity to make decisions all contribute to lower operating costs for housing stock. Research in the UK confirmed that Co-ops offered 'superior value for money' compared with social landlords (Price Waterhouse, 1995).

Co-operative housing, as a micro solution to the specific needs of particular groups and communities, sits within the macro solutions afforded generally by the capacity of the whole community-housing sector.

Co-ops:

- Improve the value of the social and affordable housing asset base through active portfolio management;
- Provide secure, affordable housing for vulnerable people who need the security of permanent social housing;
- Create a larger, more diverse, financially viable social and affordable housing system, which includes affordable rental housing for young people and key workers.

Research by Ernst & Young demonstrates that for every \$1 spent in a cooperative enterprise 76% of value was added to its community. "The co- operative or mutual structure recycles the value created across the key stakeholders to create total value" (Ernst & Young 2014).

The model utilised by Common Equity NSW Ltd and other similar organisations in other states, provides an enterprise type co-operative that allows for quality assurance, compliance management and funds efficiency across a range of co-operatives which, in NSW range from very small (5 tenancies) to large (53 tenancies). In our model tenants

share in common equity –they do not own properties, rather they pay rent and participate in management. While Common Equity NSW Ltd owns some of the properties; the majority of managed stock is on a short-term head lease from the NSW Land and Housing Corporation. Obviously, a change in government policy to shift to long term leases or title transfer would facilitate our capacity to grow our stock levels through leverage. Member co-operatives work on a more variable rental model than is evident in social housing. While 65% of tenants would be on incomes that are deemed “social housing eligible”, 35% are able to earn higher incomes. Rents are adjusted accordingly and the greater income stream resulting from variable rents provides a better long-term resource for the maintenance of properties.

Due to the tenant involvement in management and the voluntary nature of many of the tasks performed, housing co-operatives tend to incur lower maintenance costs over time and contribute to the efficient running of the housing provider. While these figures are yet to be benchmarked, Common Equity estimates that a number of savings are made through efficiencies in the co-operative system.

Over a 10-year period per 1,000 properties CENSW has identified savings of \$4.07 m based on cost savings achieved through administrative, vacancy rates and low tenancy damage. We are hoping to validate these figures through further benchmarking in the future.

Additionally, CENSW is in a better position to negotiate bulk discounts than any individual cooperative. Savings are achieved on property insurance, bookkeeping costs, auditing fees and property maintenance.

“The common equity approach provides greater long term security for both their organisation and for the sector as a whole. The common equity management team are accountable, through both formal and informal means, to the member cooperatives. This is a greater degree of influence over property and financial decisions than would be possible if Government exercised control” Gilmour, 2012

The aforementioned submission of the NSW Federation of Housing Associations to the NSW Premiers Initiative proposes to take over management of all existing social housing properties and tenancies, on long-term leases or through title transfer.

Co-operatives can play a key role in such a scheme, which represents no cost to government. An initiative such as that proposed will be primarily funded by the rental income stream, combined with community housing’s other existing income including tax concessions and the capacity to maximise the collection of Commonwealth Rental Assistance. There would need to be changes: “the initiative therefore requires a different treatment of an existing Government income stream (tenant rent). The initiative also requires different allocation of some existing Government funding, primarily funding for housing through FACS but also potentially funding from other agencies where this can be combined to achieve a greater effect”.

The submission goes on to note: “Using community housing providers as the vehicle to manage social housing not only relieves Government of the expense of managing those tenancies and properties, but also allows for additional funds brought into the system

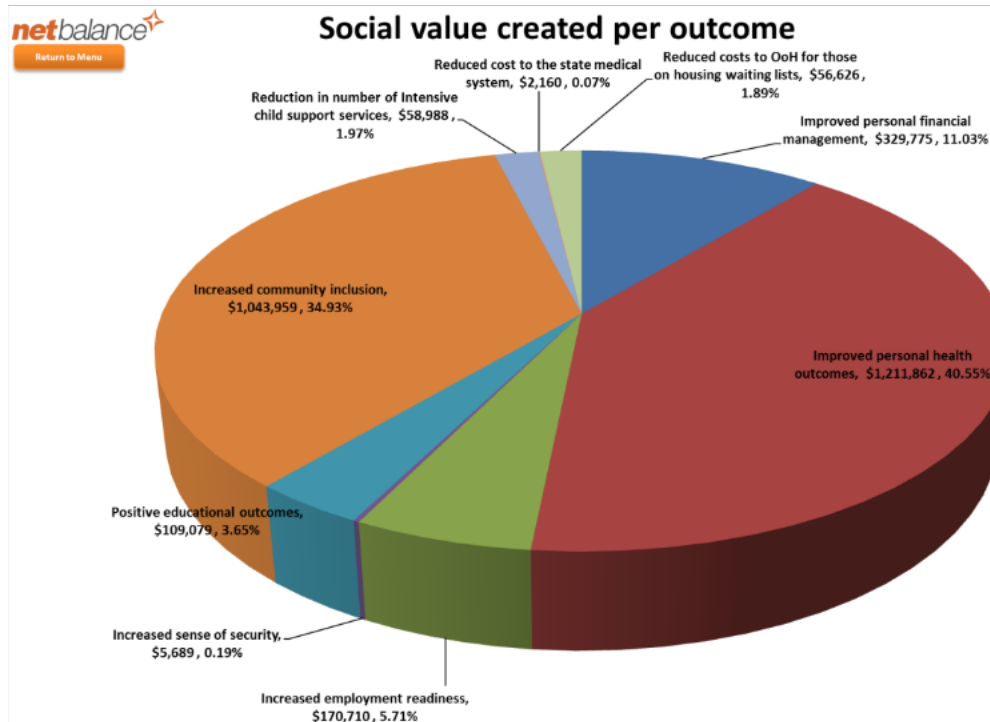
via leverage of private finance. These funds can be used to deliver additional affordable housing, and/or improve the quality of the social housing portfolio, and/or deliver additional services to tenants and their families in order to enhance access to opportunities. In this way, the initiative will help establish the social and affordable housing system as part of the infrastructure of the State, which may attract private investment at scale. The NSW Government may assist this aspect by allow State infrastructure investment to be directed towards social/affordable housing, and by offering budget-neutral incentives to private investors to invest in supply.

The initiative clarifies the role of the NSW Government in relation to social housing: the Government will become a funder and regulator, and potentially a facilitator of private investment, rather than being a near-monopoly provider”.

Initiatives for social housing stock transfer to community housing will lead to an increase in competition, which will see greater innovation and performance improvement. The social housing system in NSW is a model of Government-led service delivery with no competition other than that currently provided by the relatively small community and co-operative housing sector.

The proposed transfer also shifts risk from government to the community and co-operative housing sector, including those risks associated with the delivery of tenancy and property management. These groups have operated in the field for over 3 decades and are well placed to manage these risks.

In line with economic return, housing co-operatives offer a social return on investment. The following pie chart demonstrates an analysis of social return on investment at the Lakewood Co-operative Victoria in 2011. The report found that a social value of \$3.78 was generated for each \$1 of input costs during the first year of the cooperative’s operation (Gilmour, 2012).



Co-operative housing supports a stronger cycle of management of housing costs through sweat equity, better upkeep of properties through house-proud tenants who participate in the governance of the Co-operative, Commonwealth Rental Assistance and the capacity for some income splitting in the co-operative that allows for higher rents being charged on some properties. In future, there is scope for Co-operatives to operate within a mixed equity model to support capital financing. Other forms of private finance that support a mix of affordable and social housing and eventual ownership of a proportion of the developed properties can also be applied. In effect, Co-operatives have the capacity to operate as mini “mixed” communities with a range of resident incomes and funding options. In Britain, a Price Waterhouse review confirmed that organisations that were ‘most effective and offering the best overall value for money were those which provided their members with the greatest control over their housing management, finances and environment’ (Price Waterhouse, 1995).

Common Equity properties are well maintained with an independent review in 2014 confirming that housing stock operated by the organisation yielded the following scores.

Scale	Rating	No. Properties	%
176-220	Excellent	0	0
132 – 175	Good	116	27%
89-131	Average	309	72%
45 – 88	Below Average*	3	1%
Total		428	

* These properties have since been upgraded to average.

Further, co-operative housing models are popular with tenants. Between 2012 and 2014, annual satisfaction with services ranged between 89% and 97%.

“Mutuals and co-operatives have demonstrated they are good for markets and for competition... Mutuals and co-operatives... help to spread risk in economies and provide stability through diversity.” (Hon K Andrews MP, 2014)

Cost Effectiveness of CENSW Co-Operative Model

“Housing co-operatives are the quiet achievers in the social housing sector. They have been highly successful in Australia and should be seen as a priority for expansion to assist in addressing the issues of affordability, homelessness and community engagement.” (Hems et al, 2014)

Financially Sustainable:

Rental housing co-operatives are financially sustainable. In addition to meeting all expenses, co-operatives achieve yearly surpluses that are re-invested into maintenance of existing houses as well as new stock. As a not-for-profit organisation, all profits of CENSW Ltd are used for operations and growth. In addition, vacancy rates and arrears are low and membership of co-operatives promotes well-maintained homes that preserve their value. As indicated in the NSW Federation of Housing Associations submission to the NSW Premier’s Initiative, the capacity of co-operatives to grow the volume of housing stock and achieve regeneration over the life cycle of assets is linked to the capacity of the sector to utilise long-term leases or title to leverage funds for growth and renewal. The whole community-housing sector is poised to work with government to achieve such positive outcomes.

Financial discipline and profitability is not traded off to achieve the social purpose of co-operatives. Rather, co-operatives run lean and efficient business operations to produce profits supporting community objectives.

Housing co-operatives are part of the broader community-housing sector. The Social Value of Community Housing in Australia Report (Ravi & Reinhardt) found that over a five- year period the total financial benefit to the community across economic, health and education outcomes was \$644 million.

Social Outcomes:

Co-operative Housing has been demonstrated to generate numerous positive outcomes for tenants who participate in that form of housing. The sense of community, the joint responsibility, the exposure to management and co-ordination functions, the requirement to function under the international principles of co-operation and the opportunity to exercise some choice and control over their housing, all contribute to improved social outcomes. The improvement in social outcomes assists in creating a population that more seamlessly interfaces with the broader community through areas such as education and employment and by achieving varied income levels amongst residents.

A number of reports point to the value that co-operatives offer to individual communities. While information is scant regarding research around specific cohorts, the general value-add that co-operative housing brings to communities would be assumed to equally support and assist a specific cohort. The experience of Common Equity, in both NSW and Victoria is that many diverse communities and groups demonstrate improvements in-group, and individual function.

“Industry and market analyses often fail to consider the longer term value created, but also the comparative advantages of co-operative and mutuals.” (Ernst & Young, 2014)

Hems et al, 2014 found that co-operatives and mutuals are particularly effective when services are too expensive for government or market forces to provide, when profits are low or variable, when specialised services are needed and when user input is required in service design and delivery.

Current Barriers to Innovation, Growth and Free Competition

- **Lack of policy framework**

In NSW, there has been a vacuum of policy thinking and initiative regarding the interface of community housing providers with the social housing system. While the policy climate seems to be improving, it is impossible to identify pathways for advancement in the absence of Government policy and forums for policy discussion. Government needs to embrace opportunities to work with not-for-profits and co-operatives to advance the business of government as well as addressing many of the deep and complex problems that impact on Australian economy and society.

In addition, Government has been slow to recognise the value-add of the co-operative model and bureaucrats often view member-driven organisations with scepticism. Overseas and Australian information counters this scepticism with active and plentiful examples of the strength, viability and flexibility of co-operatives and their capacity to work with both private enterprise and government.

Bureaucratic models often favour a one-size-fits-all approach that rarely works effectively for entrenched and complex social issues. The current issues besetting the provision of social housing in a government lead model, which have been highlighted in this submission, underscore the failure of a one-size-fits-all model. The co-operative model is the antithesis of the bureaucratic model and provides a viable alternative in an arena of complex social issues interfacing with a huge demand for infrastructure.

- **Housing Specific barriers**

There are specific barriers to advancing social housing in NSW. Any work undertaken in partnership with community and co-operative housing providers will need to address those issues. For example moving successfully and

sustainably into the private rental market, supported home ownership or outright home ownership, needs to be a realistic ambition for more social housing tenants. Efforts to achieve this are hindered by the lack of affordability in the private sector, through private rental or home ownership. There are also disincentives built into the social housing system. Income-based rents effectively reduce the benefit to tenants of gaining employment, as a proportion of income earned is lost in increased rent. Inflexible rent subsidies and long waiting times significantly increase the risk for any tenant leaving social housing, as they cannot readily return or access other subsidies if their circumstances deteriorate. The social housing system needs to do a better job of providing incentives and reducing the risks for tenants who take up opportunities.

In addition, there are issues in state planning codes that hinder the development of affordable housing in local government areas.

While these barriers are not specific to the operation of co-operatives, they most certainly impact on the operation of housing providers, including co-operatives, in NSW.

- **No start up capital**

Housing co-operatives sometimes need small amounts of start-up capital to assist them with forming their constitution and rules and providing training. For co-operative housing in NSW, there is no acknowledgement of the need or the value of an effective and properly supported start-up phase. An acknowledgement by Government of the need to make start-up capital available to ensure the efficient commissioning and operation of co-operatives would be helpful.

- **Government do not recognise the need for capacity building**

Housing Co-operatives are comprised of tenants and over time these tenants move on. Changes in committee membership require retraining initiatives and changes in compliance and reporting requirements also generate a need for education and up-skilling. New systems for data, reporting and communication often generate the need for improving skills, as do shifting views on governance practice. Common Equity NSW Ltd currently resources capacity building of the sector but there is no additional funding that comes from government for this purpose. We are required to resource this function within the same budget parameters as other housing providers that do not need to undertake capacity resourcing in their structure.

Recommendations

In conclusion we recommend that:

- The co-operative housing model is confirmed as a viable alternate model within the community housing arena and provides opportunities for Government to identify cost effective solutions to social housing that are local, community specific and tenant driven;
- That the myriad of planning regulations across Australia that negatively impact on the development of social and affordable housing be rationalised, streamlined and made sympathetic to the development of housing that is accessible to those on lower incomes;
- That Federal and State Government and bureaucracies are exposed to the nature and value of co-operatives to reduce skepticism about member driven organisations and to develop better understanding of the model;
- That Federal and State Governments and bureaucracies commit to supporting the co-operative model by supporting the need for:
 - i. Small amounts of start up funding for co-operatives to commence and prosper, and
 - ii. A commitment to working with co-operative entities regarding ongoing capacity-building;
- That the Federal Government encourages State Governments to examine the specific barriers present in their systems that reduce the capacity for flexible housing arrangements to proliferate and for tenants to identify housing and social options, which provide an exit out of social housing, e.g. rent policy.

References

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