



Shelter WA (Inc)

Annual Report
2004 - 2005

Shelter WA

Affordable, Appropriate and Secure Housing For All West Australians

Shelter WA is an independent community organisation committed to the principle of accessible, affordable, appropriate and secure housing for every person.

Our role is to provide an informed voice for low income housing consumers, based on sound research and close collaboration and consultation with the Western Australian community.

Chairperson's Report

As the median house price in Perth is now over \$300,000, the importance of organisations such as Shelter WA has never been more evident. More and more people are finding the hope of affordable housing less of a reality. And for those that can afford it, the financial burden can have significant impacts upon their quality of life.

It is for this reason that I am very fortunate to be able to be involved in an organisation such as Shelter WA. This is my first year as the chair of Shelter and I have been continually impressed by the amount of work that Shelter does. Raising the profile of affordable housing in Perth and Western Australia is not an easy task, but all of the staff at Shelter have worked hard to achieve their goals for the past year. The last 12 months has seen Shelter WA grow in size as we look to attract funding beyond that provided by the Department of Housing and Works.

I hope that this annual report will provide a significant insight into the excellent work that Shelter WA has done in the last 12 months. All of this would not be possible without the dedication of both Karel and Paul who have continued to lead Shelter WA with compassion and professionalism. Karel has worked above and beyond the call of duty on many occasions and his dedication makes my role as chair significantly easier. Paul has continued to successfully engage with the community, organisations and government to ensure Shelter WA remains informed and progressive.

In the past year Shelter WA Paul, Karel and I have also been fortunate to work with Corinne. Corinne, who has shown great tolerance with my telephone humour, has developed into a crucial part of the organisation. The support she has provided this year has been one of the reasons that the organisation has had the opportunity to grow. Shelter WA has also been very fortunate to attract two additional staff members in Jim and Helen. Both arrived during very busy times for Shelter WA and were able to fit in quickly and efficiently. It is hoped that both will continue to enjoy a long term involvement with the organisation.

I would also like to thank the previous chair, John Ballard for his work and continued involvement with Shelter WA in the last 12 months. John chose to resign from the chair position 12 months ago but has continued to support the organisation tremendously. My role as chair in the past 12 months has also been made significantly easier due to the work of the Deputy Chair, Bronwyn Kitching. Bronwyn provides an important perspective for Shelter WA due to her long term commitment to the housing sector in Western Australia.

The unique perspectives and diversity of Shelter WA's Management Committee Members is one of the reasons that we have enjoyed such a successful year. Rob Spinks has worked above and beyond the call of duty as treasurer. Given the amount of work that he undertakes at the Tenants Advice Service it is amazing how much service he has given to Shelter WA this year. Ian Main has continued his involvement with the management committee and despite many obstacles with his health, continues to remain a major part of what makes Shelter WA what it is, thank you Ian. Shelter has also welcomed three new management committee members in the last 12 months Josephine Colbung in 2004 and in 2005 Deb Hall and Simone Kitson-Coombs. All three have brought a diverse range of skills and knowledge for which we are very grateful.

Shelter WA had a number of challenges in 2004/05, including an organisational audit performed by Ernst & Young. The audit generally gave a glowing endorsement of the organisation's processes and procedures. It also strongly supported Shelter WA's strategy to increase its independence by diversifying its funding base. The results of these projects are described in detail in the Agency Report.

In 2005/06 it is Shelter WA's intention to continue moving forward and build on this growth. In 2005/06 we will be developing a new Strategic Plan which will be used to ensure both our long term sustainability and our focus on the need for appropriate and secure housing for all Western Australians at a price that is within their means.

Thank you all,

Heath Flanagan

Agency Report

KEY ISSUES FOR HOUSING IN WA

In last year's Annual Report, Shelter WA identified affordability for home purchasers as the key issue in housing. Two interest rate rises and house price growth of 14.4% meant that the average family could no longer afford to purchase an average house. While house prices fell or levelled out in other parts of Australia in 2004/05, in Western Australia the situation with regard to affordability got worse.

This was caused partly by a third quarter percent interest rate rise in March 2005. However, the bulk of the decrease in affordability was again due to increasing house prices. In Perth, the median house prices grew by 16.5% over the year to just below the \$300,000 mark. In regional Western Australia, house prices generally caught up with Perth, with an average increase across the state of 19.1%. Some regional centres experienced extreme growth rates, including Albany (34.2%), Augusta / Margaret River (32.3%), Bunbury (39.8%), Geraldton (40.3%) and Port Hedland (50.1%). However, price growth in some other centres was more measured, for instance Broome (4.9%), Kalgoorlie-Boulder (2.4%) and Mandurah (21.3%).

As predicted in last year's Annual Report, the median rent finally started to catch up with house price growth. In Perth, the median rent jumped 15.2%, from \$164 to \$189 per week. The immediate cause of higher rents is the continued decline in vacancy rates, down from 3.3% in June 2004 to a very tight 2.5% in June 2005. Vacancy rates appear to be particularly low at the bottom end of the market.

In turn, the low vacancy rate was caused by two factors. The first of these was that Western Australia is now experiencing positive net migration, after a period where net migration was negative. The second factor is that house prices have now put home ownership beyond the reach of households earning \$50,000 per year in all but 36 Perth suburbs, down from 53 in 2004. This has caused increased demand for private rental housing, from families who would otherwise have made the transition to home ownership.

At the time of writing, there is no reason to assume that any of the structural factors behind the recent increases in rents will change any time soon. If economic growth continues, as forecast, at its current high levels, house prices will continue to increase, vacancy rates will remain low and rents will continue to rise. Moreover, at 3.25% Perth's median rental return is at record lows, suggesting there is ample potential for rent increases.

At the same time, social housing has continued its slow decline. For the first time in five years, total stock numbers fell, from 39,344 to 39,139. Within the social housing sector there has been some divergence. The number of Homeswest dwellings fell from 35,006 to 34,870, while a continued emphasis on community housing saw this sector grow from 3,027 to 3,107 dwellings. Indigenous remote housing also increased, from 1,182 to 1,223 properties. This pattern reflects a longer term trend: since 1997, mainstream public housing has declined by 3.8%, while community housing has increased by 61% and Indigenous remote housing by 47%.

As population and household numbers have grown, social housing now comprises 5.1% of all occupied housing stock in WA, down from 5.3% last year and 6.1% in 1997. The Homeswest waiting list is roughly the same as it was 10 years ago, with 13,125 waiting to be housed. This represents a significant decline from the 2001 high of 15,456 but is a small increase over last year's number (12,788).

Most importantly, however, the continuing failure to expand social housing stock has resulted in a decline in the number of families housed. In 2004/05, the number of families provided with Homeswest housing was at its lowest level since Shelter WA began monitoring this statistic in 1982. Over the last year, 4,071 new tenancies were created, compared to an annual average of 5,074 over 1997-2004 and 7,046 over the 1992-96 period. This is also reflected in the average wait time, which has increased from 56 weeks in 1997 to 73 weeks in 2005, and the median wait time, which is now 9 months, compared to 5 months in 1997.

This is not necessarily due to bad management. In fact, improved debt collection practices have produced a decline in the proportion of Homeswest tenants who are in arrears. This proportion has fallen from 15.2% in 1995 to 8.5% in 2005. Average arrears also fell over this period, from \$17.24 to \$15.49.

There is increasing evidence that the lack of an adequate supply of affordable and appropriate housing across all tenures has produced increased pressure on some of the most vulnerable groups in society. As more and more relatively well-off families are either delaying or giving up altogether on purchasing their own house, they reside for extended periods of time in private rental.

Falling vacancy rates and increasing rents mean that people who are less well off can no longer rely on the private sector for appropriate housing that they can afford. The outcome is increased pressure on the social housing sector, reflected in increased waiting lists and longer waiting times.

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At the human level, the more vulnerable groups end up at an increased risk of homelessness or in inadequate housing. Large refugee families, young people, Aboriginal families and people with mental health issues are amongst the first to be effectively excluded from mainstream accommodation. As a consequence, these groups will be forced to reside for longer in expensive or inappropriate types of accommodation. Many end up roofless, forced to overcrowd their friends and relatives' housing or staying for extended periods in refuges and crisis accommodation.

Put in simple terms, Western Australia's housing boom has provided a financial windfall for existing home owners and, via increased tax revenue, to the State and Commonwealth Government. However, the boom has a shadow side, ie. increased housing stress for many and homelessness for the most vulnerable groups.

The announcement of the State Housing Strategy is an important first step in recognising the extent of the housing crisis caused by the boom. However, both the State and the Commonwealth Government now need to match this recognition with commitments expressed in dollars and targets expressed in stock numbers and percentages.

STAFFING

The past year has been a stable one for Shelter WA in terms of staffing. All three core staff, Karel Eringa, Paul Pendergast and Corinne Mercer, remained with the organisation as Executive Officer, Research and Policy Manager and Administration and Finance Officer.

In addition, project funding saw Shelter WA employ three Project Officers at different times during the year. Serena Williams arrived to provide administrative backup in August 2004, and stayed on to organise our pre election forum in February 2005. Jim Anthony started in June 2005, and is working on our boarders and lodgers project. Finally, Helen Doran-Wu worked from July until October 2005 on planning and implementing the community consultations for the Port Hedland housing analysis.

FINANCE

Until some years ago, the core grant represented in excess of 95% of Shelter WA's funding. In 2003/04, Shelter WA's Management Committee endorsed a business plan, which aimed to broaden the organisation's revenue base so that core grant income represents no more than 75% of total annual income. The business plan aimed to achieve this by undertaking "fee-for-service project and consultancy work which is

housing related". It noted that this proportion was likely to fluctuate substantially around the target, because "Shelter WA operates in a niche market with a relatively small number of opportunities, which may vary in scope and number from year to year."

Over the last year, Shelter WA increased its income by 31.8%, from \$149,083 in 2003/04 to \$196,534 in 2004/05. This increase is partly due to a 3.1% increase in core funding from the Department of Housing and Works and a \$10,790 Lotterywest equipment grant. The bulk of the increase, however, comes from project funding, which rose from \$9,091 in 2003/04 to \$40,901 in 2004/05 (see below).

The table below demonstrates that Shelter WA achieved its target in 2004/05: core funding of \$140,713 represented 71.6% of the organisation's total income. Over the last three years, core funding has averaged 76.0% of the organisation's income, just above the 75% target. The proportion has ranged between a low of 69.0% in 2002/03 and a high of 91.2% in 2003/04.

One final interesting feature of the 2004/05 financial year was that Shelter WA has continued to increase its operational efficiency. As a result, employment costs accounted for 82.4% of the organisation's expenditure, up from 81.0% in 2003/04 and 77.6% in 2002/03.

1. Core Funding	\$140,722	71.6%
2. Project Funding	\$40,901	20.8%
3. Lotterywest Equipment Grant	\$10,790	5.5%
4. Other Income	\$4,121	2.1%
Total	\$196,534	100.0%

WORK FOR THE PAST YEAR: CORE FUNDING

As stated above, Shelter WA receives its core funding from the Department of Housing and Works (DHW). In 2004/05, the basis of the funding shifted from an annual workplan to a two yearly Service Agreement, with an annual Contract Management Plan. The goals of the Contract Management Plan are as follows:

- To be an effective voice on housing issues
- To inform members of the community sector about housing issues
- To support members of the community sector to work together to achieve positive housing outcomes for low income housing consumers
- To take a lead role in the development of social housing policy positions which reflect and are informed by Shelter WA's constituency
- To manage Shelter WA effectively, efficiently and appropriately for the benefit of the community.
- To further develop Shelter WA's research capacity

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The Contract Management Plan focuses Shelter WA's activities on four key areas:

1. Housing Advisory Committee
2. Community consultation
3. Input into Department of Housing and Works policies and practices
4. Information provision to the community

1. Housing Advisory Committee (HAC)

The Housing Advisory Committee (HAC) is an advisory body to the Minister for Housing and Works. Its role is to advise the Minister on State government housing policy, to participate in the development of Department of Housing and Works policy and program initiatives, to advise on research and the development of new policies and to assist in identifying housing needs in the community. HAC is chaired by the Minister for Housing and Works and its membership includes representation from industry, community bodies, relevant State and Commonwealth Government Departments, and local government.

After six months of inactivity around the elections, HAC met for the first time under the new Housing Minister, Fran Logan, in June. At this meeting, HAC decided to:

- Abolish the Community, Affordable and Sustainable Housing Committee,
- Abolish the Access and Equity Standing Committee,
- Establish a new standing committee on regional housing issues. This is to come into effect if and when parliament approves the Machinery of Government Miscellaneous Amendments Bill 2003, which proposes to merge the Country Housing Authority, Government Employees Housing Authority and State Housing Commission into a single Housing Authority, and
- Provide a resource in the Office of Policy and Planning, as well as secretariat support, to support the work of HAC.

However, Shelter WA continued to provide the Chair for the Homeswest Operational Standing Committee (HOSC). In 2004/05, Shelter WA pursued a number of issues pursued through HAC and HOSC, including:

Underoccupancy

Underoccupancy occurs when a dwelling is occupied by significantly fewer people than the number of bedrooms would allow. HOSC and the Department of Housing and Works were concerned about underoccupancy within public housing because Homeswest's waiting list for large family housing could

potentially be cleared if all one, two and three person households occupying four plus bedroom properties were to relocate into more appropriately sized dwellings.

In order to investigate how this might be achieved, HOSC established a working party to undertake research into underoccupancy and consult with the community to develop an appropriate policy. The working party was convened by Shelter WA and its membership included representatives from the Dept of Housing and Works, Dept of Consumer and Employment Protection and the Tenants Advice Service.

The working party conducted community consultations and statistical research, which found that underoccupancy is a significant issue in public housing in Western Australia. The main driver of underoccupancy was found to be a combination of changing bedroom requirement of some Homeswest tenants and the lack of terms within the Homeswest Tenancy Agreement and Rental Policy Manual to allow Homeswest to require under occupying tenants to relocate to more appropriately sized dwellings.

The working party's final report was released in July 2005, and is available from www.shelterwa.org.au.

Good Neighbour Policy

Early in 2005, the Minister for Housing announced his intention to initiate changes to Department of Housing and Works policies and procedures with regard to antisocial behaviour of its tenants. The Minister referred the policy to the Homeswest Operational Standing Committee, which established a working party on the issue. The working party was convened by Shelter WA. Its membership included representatives from the Department of Consumer and Employment Protection, Department of Community Development, Jacaranda Community Centre and the Tenants Advice Service.

The working party's final report made six recommendations, suggesting changes to both the language and the substance of the Good Neighbour Operational Policy and the associated Acceptable Behaviour Agreement. In addition, the working party recommended that households with a history of anti-social behaviour should be required to receive tenancy support rather than put onto fixed term tenancies, and that the DHW negotiate Memorandums of Understanding with a number of mediation services as well as the WA Police and Local Government Authorities. Finally, the working party recommended that the DHW include information on how to maintain a successful tenancy in a pamphlet.

The final report of the Good Neighbour working party was released in July 2005 and is available from www.shelterwa.org.au.

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National Housing Conference

The fourth National Housing Conference 2005: Building for Diversity will be held at the Perth Convention and Exhibition Centre on 27 and 28 October 2005. Organised by the Department of Housing and Works and the Australian Housing and Urban Research Institute, the Conference "will address the many dimensions of Australian diversity; consider the housing market and policy implications of this diversity and attempt to formulate considered and well-researched responses."

As a member of the steering group for the Conference, Shelter WA was provided with a LotteryWest grant to assist up to 30 people to attend the Conference. These people will be drawn from community organisations in metropolitan, rural and remote areas.

State Housing Strategy

Housing and Works Minister Fran Logan launched the draft of Housing Strategy WA on Tuesday 14 September. For the first time, the strategy provides a policy framework aimed at ensuring that housing is affordable, sustainable and accessible to all Western Australians over the next 20 years.

Shelter WA's Executive Officer, Karel Eringa, spoke at the launch. He said that this "is the first time we've had a coherent vision for housing at the State level and I can't overstate the importance of this occasion. However, at this stage the strategy is not perfect. In particular, the document lacks clear targets and commitments in terms of percentages and dollars."

The public consultation period will run until the end of February 2006, allowing time for the community to consider the document and respond. According to the Minister, briefings to local government and other agencies and peak bodies will run through October and November, with public workshops to be run in selected metropolitan and regional centres.

The Discussion Draft of Housing Strategy WA can be obtained from the Department of Housing and Works or from www.dhw.wa.gov.au/housingstrategywa/hswa.cfm. A transcript of Karel Eringa's speech at the launch is available at www.shelterwa.org.au.

Other issues

Other issues that Shelter WA progressed through HAC and HOSC in 2004/05 included:

- Public Housing Rent Reform,
- Not For Profit Housing Company,

- AHURI Research Agenda,
- DHW Relocations Policy,
- DHW Excess Occupants and Visitors Policy,
- DHW Tenants with poor tenancy history, and
- Fair wear and tear.

2. Community Consultation

Regional Housing Analyses

A key role of Shelter WA is to facilitate community input to the development of housing policy. In order to facilitate that role, Shelter WA conducts annual housing forums in a particular area of Western Australia, usually in response to requests from local individuals or organisations. The aims of these regional forums are:

- identify and prioritise housing issues for the region in a regional housing analysis,
- develop strategies to respond to issues, and
- establish ongoing links between Shelter WA and local community organisations and their workers, government departments and local government.

Since 1998, Shelter WA has conducted housing forums in Albany, Broome, Bunbury, Busselton, Derby, Geraldton, Margaret River and Midland. Reports on all of these forums can be downloaded from www.shelterwa.org.au.

Regional Housing Analysis 2004: Kalgoorlie-Boulder

In 2004, Shelter WA's focus was on Kalgoorlie-Boulder. After ten months of community consultation and extensive background and statistical research, the final report was released in November 2004. The final report found that "Kalgoorlie-Boulder's housing market can be described as somewhere between the mature housing markets of state capitals such as Perth and the immature, volatile markets of small mining towns." The report's key finding was a mismatch between housing stock and the requirements of residents, resulting in high levels of both overcrowding and underoccupancy.

For instance, "while 52.9% of households in Kalgoorlie-Boulder contain one or two people, only 19.9% of dwellings have two or fewer bedrooms." Other findings included:

- Significant swings in real estate and rental prices,
- Homelessness and overcrowding are concentrated among Indigenous people
- Poor standards and maintenance in the private rental sector
- Lack of access to affordable private rental housing for certain groups, including young people and Indigenous people

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- A shortage of land suitable for development
- A shortage of both small (1/2 bedroom) and large (5+ bedroom) dwellings

The report's 20 recommendations focused on addressing the current mismatch between Kalgoorlie-Boulder's housing stock and requirements, making optimal use of available land, and providing practical support to tenants with high needs.

Regional Housing Analysis 2005: Port Hedland

In early 2005, Shelter WA started work on a regional housing analysis of the Hedland area. After some preliminary desk based research Shelter WA's Executive Officer, Karel Eringa, visited Hedland in February 2005. During this visit, Karel conducted interviews with a range of stakeholders, including:

- Aboriginal housing and support providers such as Pilbara Meta Maya, the Bloodwood Tree Aboriginal Corporation and the Port Hedland Regional Aboriginal Corporation,
- Local and State government representatives, including the Department of Housing and Works, the Mayor, the Town Planner, and other Town of Port Hedland staff members,
- Community groups including the Youth Involvement Council and the Pilbara Community Legal Service;
- BHP's Housing Office and the Pilbara Development Commission, and
- A number of tenants and individuals with an interest in housing issues.

These initial consultations revealed a strong consensus that the most important issue facing Hedland is a severe shortage of housing stock that is affordable to people earning low to middle incomes. This shortage affects people who earn too much to be eligible for Homeswest housing, but who earn too little to be able to afford to purchase or rent a house in the private market.

Put differently, a lack of rental housing below \$250 per week means that people on low to middle incomes cannot afford to live in Hedland. As a direct result of this, the town is having difficulties attracting key workers, such as dentists, doctors, opticians, shopkeepers and maintenance contractors, to live in the area. Other issues that were identified included :

- generally low standards of maintenance / upkeep, which appears to be partly due to a shortage of tradespeople and generally high prices making maintenance very expensive,

- anti social problems in pockets of South Hedland that have high concentrations of low income tenants and are built using the Radburn design,
- Homelessness and overcrowding among Indigenous people,
- a lack of support for disadvantaged tenants, particularly a shortage of funds to support Aboriginal people into housing, and
- high turnover of staff in Homeswest, making it difficult for clients to build a relationship with individual officers.

Shelter WA released a discussion paper exploring these issues in more detail in July 2005. This discussion paper informed community consultations, which were held in August 2005. The discussion paper and further information about the August consultations are available from www.shelterwa.org.au/publications.htm.

The final step of the process is to use the outcomes of this forum to produce a Final Report on Housing Needs in the Town of Port Hedland, which Shelter WA intends to release around November 2005. As has been the case with previous reports, Shelter WA will promote the findings of this Report with relevant stakeholders in Government and industry.

Local Housing Analyses

In 2004/05 Shelter WA commenced a new project investigating housing issues at the local level, including a series of local housing analyses. Shelter WA plans to conduct three to four of these analyses each year across the Perth metropolitan area. The analyses will be set up in similar fashion to Shelter WA's Regional Housing Analyses, ie. a combination of statistical and other desk based research with a series of consultations with housing consumers. The studies will focus primarily on households earning low and low-to-middle incomes.

The first of these local housing analyses was conducted in the Belmont area. The consultation stage of the process took around three months and included meetings with key stakeholders, developing a discussion paper, conducting a forum/s, producing a final report and promoting the findings. Shelter WA is currently finalising the findings of the Belmont forum.

The intended outcomes of the analyses are as follows:

- provide housing consumers with an opportunity to raise housing issues in their area in a broader context,
- engage housing consumers and Local Government Authorities in housing related issues,

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- provide opportunities to work together with other agencies, including in particular Local Government Authorities, to find solutions for housing related issues, and
- deepen Shelter WA's understanding of local housing issues across the metropolitan area.

3. Input into Department of Housing and Works Policies and Practices

Shelter WA uses a number of avenues to feed relevant information gained through its various activities into the Department of Housing and Works. The principal mechanisms for this are the Housing Advisory Committee and Homeswest Operational Standing Committee outlined above, as well as regular formal and informal meetings with DHW staff at all levels of the organisation.

In the past, Shelter WA used regular surveys of individuals and organisations concerned with housing issues to gather and collate further input from the sector on DHW policies and practices. In 2004/05 Shelter WA made a decision to develop an Urgent Response Network that would provide a further avenue for its constituency to respond to emerging housing issues. It should be noted that the Urgent Response Network is intended to complement rather than replace the traditional strategy of using surveys.

Surveys

In December 2004, Shelter WA released an overview report on homelessness entitled 'No Place Like Home: Homelessness in Western Australia'. This report contained an overview of statistical and other information on homelessness in Western Australia presented in a number of recent reports and projects. The core of the report, however, was a summary of information gathered during the first phase of the 'Profile of Homelessness in WA' project, a series of surveys of agencies dealing with homeless people, which Shelter WA conducted between June 2001 and March 2004.

These surveys provided information about a total of 412 homeless households and demonstrated that single income households are most at risk of homelessness. Children and young people were demonstrated to constitute around half of the homeless population. No Place Like Home also showed that most homeless people are Indigenous.

In addition to quantitative information, No Place Like Home also presented the views of homelessness agencies and the people accessing these agencies.

Semi structured interviews were used to provide background information on the views of both homeless people and agencies providing various services to these people. The report made three key recommendations:

1. Increase funding under the CSHA for the provision of social housing: Social housing to be increased to a target of 6% of all housing in WA.
2. Increase the capacity of SAAP by 50% and provide services in areas where the need is located: SAAP to achieve a target of accommodating 12% of the States homeless population.
3. Address Overcrowding in Indigenous households: Implement strategies to address overcrowding in Indigenous and Regional areas

In March 2005, Shelter WA started the second phase of the Profile project by conducting a follow up survey. Survey 6 was released in August 2005, and by and large confirmed the findings reported in No Place Like Home. In particular, the survey found that young people and Indigenous people continued to be represented disproportionately among the homeless people of this State. Affordability issues continued to feature prominently as a barrier to homeless households accessing rental housing.

However, Survey 6 also identified some new developments. For instance, the survey identified a significant decrease in the proportion of households that required both housing and support, reducing from over two thirds in Survey 5 to less than one third in Survey 6. There was a corresponding increase in housing only requests, up from 1 in 4 in Survey 5 to greater than 1 in every 2 households in Survey 6.

In addition, in the previous five surveys around two thirds of households fell in the category 'secondary homeless' [people who move frequently from one form of temporary shelter to another]. In Survey 6, there was a disturbing divergence from this trend with nearly half of the respondents registering as 'primary homeless' [people without conventional accommodation].

Part of these developments are undoubtedly related to the relatively small sample size. However, these findings do cast doubt on the effectiveness of current strategies to make real inroads into homelessness. Significant increases in Government funding for both affordable accommodation and support would be required to achieve this.

Urgent Response Network

Shelter WA launched its Urgent Response Network in August 2005. The purpose of the network is to inform Shelter WA members about emerging housing issues

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and guide the development of Shelter WA's position on these issues. Network members receive notification by email of new and contentious housing issues, and then have the opportunity to feed their comments back either confidentially to Shelter WA or as an open comment accessible to all list members. Current and past issues discussed on the Network are available in a special members-only section of www.shelterwa.org.au.

The Urgent Response Network is provided as a service to Shelter WA financial members. The Network complements rather than replaces SWA Update, Shelter WA's fortnightly email list with updates on housing issues, which is provided free of charge to both financial and associate members of the organisation (see Information Provision).

4. Information Provision to the Community

In 2004/05, Shelter WA produced four newsletters, four information sheets, an occasional paper and several papers and reports.

Newsletters:

- June 2005: Housing in the State Budget
- March 2005: Underoccupancy
- December 2004: State Election
- September 2004: Overcrowding

Information Sheets:

- #26: Keystart Home Loan Schemes
- #25: Tenant Support Services
- #24: What Housing Jargon Means
- #23: The Department of Housing and Works

Papers, Submissions and Reports

- Discussion Paper: Homeswest Under Occupancy
- Final Report: Shelter WA / WACOSS Pre Election Housing Forum
- Shelter WA Submission to Network City
- Discussion Paper: Pre Election Housing Forum
- No Place Like Home: Homelessness in WA
- OP2004-2: The State of Affordable Housing in Western Australia, 2004
- Regional Housing Analysis Kalgoorlie-Boulder
- Kalgoorlie Housing Forum Discussion Paper
- Women and Adequate Housing
- Homeless: In the City? A brief overview of Counting the Homeless 2001 - Western Australia

Website

In 2004/05, Shelter WA's website received 111,648 'net' hits (ie. excluding image files and scripts) at an average of 306 per day. This is up from 84,841 'net' hits in 2003/04 (average 232 per day). The figure included 78,800 papers and reports downloaded or over 1,500 per week – up 50% from last financial year.

SWA Update

Shelter WA has continued its fortnightly Housing Policy and Research email list, SWA Update. During 2004/05, 20 updates covering a wide range of housing related issues were sent out. The number of subscribers to SWA Update grew slightly during the year, from 165 to 174. However, this masks a much larger number of people subscribing and unsubscribing during the year.

WORK FOR THE PAST YEAR: PROJECT FUNDING

Southern Alliance

In September 2004 three Regional Housing Associations approached Shelter WA to conduct a financial viability analysis of their proposed merger into a Southern Alliance. The analysis explored options for commercial borrowing and incorporating funding of up to \$25 million over three years that may be available if the new organisation attains 'Key Provider' status.

EOC Investigation into Public Housing for Indigenous People

Between 2002 and 2004 the Equal Opportunity Commission conducted a major investigation into public housing for Aboriginal people. The Commission released its final report, 'Finding A Place', in December 2004. The report identified a number of shortcomings of public housing for Aboriginal people, including poor maintenance, poor training of officers and a lack of stock.

Much of the report confirmed findings published by Shelter WA over the last few years in a number of reports, and Shelter WA therefore supported many of the report's recommendations. Regrettably, however, the report missed an important point, being that public housing in Western Australia is under-resourced to cope with the demands that are placed on it. Consecutive funding cuts and an increased focus on those who are 'most in need' have resulted in falling income for our State Housing Authority, forcing it to reduce costs in order to prevent shortfalls.

The Department of Housing and Works initially accepted only nine of the 165 recommendations made in the report. However, in May 2005, the DHW approached Shelter WA as Chair of the Homeswest Operational

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Standing Committee to conduct a project operationalising the recommendations of the report.

Broadly speaking, Shelter WA's role includes:

- keeping the Homeswest Operational Standing Committee (HOSC) informed regarding the decisions and deliberations of the EOC Implementation Committee throughout the life of this Committee,
- conducting background research and analysis in order to develop any recommendations from the EOC IC into a format in which HOSC is in a position to provide practical advice to the DHW,
- advising the DHW regarding the position of HOSC.

More specifically, Shelter WA agreed to:

- provide practical advice to the DHW on how best to implement agreed recommendations,
- where the DHW has advised that recommendations have already been implemented, to validate whether this is indeed the case both in policy and in practice,
- if agreed and appropriate, provide policy training to DHW staff, and
- analyse any recommendations that come through the EOC IC, provide guidance to HOSC and make recommendations to the DHW.

The project started in June 2005, and all parties have now agreed to a process by which many of the report's findings will be implemented. Funding for the project is initially for one year. However, Shelter WA expects that the process will take a minimum of two years.

Finding a Place is available from the Equal Opportunity Commission's website, www.equalopportunity.wa.gov.au. Shelter WA's response is available from www.shelterwa.org.au.

WORK FOR THE PAST YEAR: OTHER WORK

Network City

Network City is the Western Australian Government's "community planning strategy for Perth and Peel". Network City came out of the Dialogue with the City process, and outlines the key directions for planning in the metropolitan area over the next 30 years. It is currently in its final draft stage.

Shelter WA has been an active participant in the process. In early 2005 Shelter WA produced a submission to the draft Network City document. In its submission, Shelter WA supported the general direction detailed in the Network City document. However, the submission also "identified several areas of concern.

Many of these concerns stem from the fact that Network City appears to have some difficulty reconciling the relatively narrow scope of planning levers with the broad key objectives of the strategy. The result is a tendency in Network City to recommend non-binding actions such as the development of handbooks, registers, demonstration projects and advice, instead of binding incentives or regulation."

Dropping the urban growth boundary is one instance where Network City's approach is half hearted. A firm limit to urban sprawl was strongly supported by large majority of stakeholders throughout the Dialogue with the City process. Shelter WA continues to support a solid urban growth boundary, and is disappointed that Network City has shied away from establishing such a boundary on the basis of some questionable arguments.

House of Representatives Inquiry into Sustainable Cities

In March 2005, the WA Collaboration on Sustainability invited Shelter WA to give a presentation to the House of Representatives Inquiry into Sustainable Cities. Shelter WA's presentation focused on the social aspect of sustainability, and the links between sustainable development and affordable housing. The presentation argued that Government intervention was necessary to correct urban sprawl, and that certainly in the Perth context this was very unlikely to substantially increase housing prices.

The presentation showed that "urban expansion has failed miserably to deliver housing affordability in recent years" and "does not foster affordable home ownership because, contrary to public belief, it does not cater to first home buyers. In fact, 90% of newly built dwellings on the urban fringe are purchased by second or third homebuyers. In other words, the Government expenditure of \$45,000 for each lot on the urban fringe can be viewed as a direct subsidy to existing home owners wishing to upgrade and at best only indirectly benefits prospective first home purchasers."

Pre Election Housing Forum

State Government elections were held in Western Australia in February. Shelter WA hosted a pre election housing forum with WACOSS in January. The Minister for Housing (Nick Griffiths), the Opposition spokesperson for housing (Ray Halligan), the WA Greens spokesperson for housing (Giz Watson) and representatives from the Democrats and Family First spoke. Each speaker explained their party's housing platform and responded to a discussion paper prepared by Shelter WA.

Agency Report (continued)

The final report identified a “lack of firm targets and commitments to address Western Australia’s housing crisis”. It provided a comparison of the housing policies of the political parties participating at the forum. It found that while all parties “have expressed a degree of concern regarding falling housing affordability ... a shortcoming across all parties, with the exception of the WA Greens, is the lack of specific targets and funding commitments to back up the good intentions expressed in the platforms ... Overall, the ratings indicated that there was significant scope for improvement” for all parties except the WA Greens.

Boarding and Lodging Houses

In late 2001, the Department of Consumer and Employment Protection commenced a statutory review of the Residential Tenancies Act (WA) 1987. In its two submissions to the Review, Shelter WA identified the lack of consumer protection for boarders and lodgers as a key issue. The submissions highlighted that:

- boarding and lodging houses are an important source of low cost housing in inner city areas for men and women of a range of age groups
- boarding and lodging houses provide accommodation for a significant and increasing number of people with disabilities (physical, psychiatric and intellectual)
- a significant proportion of boarders and lodgers live in the sector for long periods of time.

The submissions argued that some form of protection was urgently required, as the “boarding and lodging house sector houses some of the most marginalised people in the community, in effect providing a housing option of last resort for very disadvantaged people on low incomes in inner city areas. These people are particularly vulnerable to exploitation, substandard living conditions and inadequate accommodation.”

However, the submissions also noted that any form of consumer protection needed to be implemented with caution. In particular, Shelter WA expressed its concern about the steady decline in the number of boarding houses over the last five decades, from 531 in 1995 to 55 in 1996. The submissions argued that any form of consumer protection would need to be designed to prevent further losses to stock.

Finally, the submissions noted that consumer protection for boarders and lodgers would need to allow sufficient flexibility to guarantee the safety of all residents. In view of the complexity of the issue, Shelter WA highlighted a need for further research into and consultation about consumer protection for boarders and lodgers. In particular, Shelter WA is concerned that any such protection should be designed to:

- prevent any further decline in the number of boarding and lodging houses in Perth,
- allow sufficient flexibility to guarantee the safety of all residents, and
- maintain up front costs at a low level, for instance by specifying a maximum bond of one rather than four weeks’ rent.

After a protracted period of negotiating with DOCEP about this and other issues, Shelter WA commenced a project researching the issues relating to the rights of boarders and lodgers in June 2005. This project complements other research conducted by the Community Housing Coalition of WA and Tenants Advice Service, and aims to gather information by conducting some 35 interviews with boarding house residents and managers in the metropolitan area.

The aim of the project is to produce an Issues Paper regarding consumer protection for boarders and lodgers, which will ultimately be presented to DOCEP.

Housing for Refugees

In May 2005 Shelter WA hosted a meeting on the issue of housing for refugees. This meeting was attended by representatives from the Australian-Asian Association, Sudanese Community, African Community and Liberian Community, and the Dept of Immigration, Multicultural and Indigenous Affairs. The meeting resulted in Shelter WA preparing a letter to Housing Minister Fran Logan, which identified six key issues regarding housing for refugees, including a lack of access to large family homes and difficulty accessing home ownership.

In the letter, Shelter WA on behalf of a number of other organisations urged the Minister to establish a scheme whereby it purpose-builds large dwellings for large refugee families and subsequently enters into a rent to buy scheme with the occupants, as well as increasing the component of large dwellings in the public housing building program.

As the Minister has rejected the proposals, Shelter WA is investigating alternative avenues to pursue this issue.

Agency Report (continued)

National Shelter

Many of the issues affecting housing consumers in Western Australia emanate from policies and programs that are determined at national level. National Shelter is the peak non-government organisation representing the interests of low-income housing consumers. While it has been unfunded since 1996, National Shelter continues to represent the interests of housing consumers at the national level.

In order to ensure that housing remains on the national political agenda, Shelter WA continued to play an active role within National Shelter in 2004/05. At the October AGM, Shelter WA's Policy and Research Manager, Paul Pendergast, stepped down as National Shelter's Chair. Shelter WA's Executive Officer, Karel Eringa, was elected as Secretary.

During 2004/05, National Shelter focused on two issues, being the Federal election and housing affordability. With regard to the Federal election, National Shelter's lobbying centred around a Housing Policy Analysis. The Analysis provided an overview and assessment of the commitments made in the policy platforms of both major and a range of minor parties, as well as the responses from each of the parties to a questionnaire on housing policy based on National Shelter's housing platform, 'Rebuilding the Australian Dream'.

The Analysis concluded that in general, there is a clear distinction in the housing policies of the major political parties. In the short term, both major parties have promised to maintain the Commonwealth State Housing Agreement (CSHA), and this is an important response to the pressure housing bodies have exerted on them over the years. Nevertheless, the longer-term future of the CSHA is still clouded, given that by the time the next renegotiation is due in 2008 the states will be in control of allocation of GST funds, and the federal government may well decide to withdraw or reduce its commitment. The fact remains that in real terms, under the life of the present administration there has been close to a 25 percent decline in funding through the CSHA, and this decline will continue. For its part, the Labor Party has promised a significant – though not sufficient – increase in CSHA funding.”

The Analysis expressed concern that neither party has chosen to address the inadequacies of Commonwealth Rent Assistance (CRA). Finally, it found that the policies of the minor parties like the Greens and the Democrats are much more in accord with those proposed by National Shelter. National Shelter's Housing Policy Analysis is available at www.shelterwa.org.au/ns.htm.

With regard to housing affordability, National Shelter pursued this issue by forging a partnership with industry, the Unions and other community groups in a National Housing Alliance. National Shelter's Chair, Adrian Pisarsky, is currently the spokesperson for the Alliance.

The Alliance called for reform across all tenure types - private rental, social housing and home ownership – to ensure that the Australian Dream of securing their own home is not left out of the reach of all but a wealthy few. In August 2005, the National Housing Alliance presented its case to a joint meeting of Planning and Housing Ministers, which subsequently adopted a framework for affordable housing.

Other Committees and Meetings

In addition to the activities highlighted above, Shelter WA participated in a large number of meetings and events. While listing of these meetings and events exhaustively would be impractical, they include the following:

- membership of the Keystart Advisory Committee,
- membership of the Boards of the Tenants Advice Service, Habitat for Humanity (WA) and Claisebrook Lotteries House Association,
- meetings with Local Government authorities, State Government Ministers and Members of Parliament,
- presenting to forums including WACOSS Emergency Relief Forum, HURIWA conferences on *Network City* and homelessness,
- providing information to academics, students and members of the public, and
- providing assistance to homeless people and people in housing crisis.

Management Committee

- Heath Flanagan
Chairperson
- Bronwyn Kitching
Vice Chairperson
- Rob Spinks
**Tenants Advice Service
Treasurer**
- Paul Pendergast
**Shelter WA
Staff Representative**
- Deb Hall
(from July 2005)
- Ian Main
- John Ballard
Curtin Indigenous Research Centre
- Josephine Colbung
**Eastern Metro
Community Housing Association**
- Kevin Moore
Trinity Youth Options
(to April 2005)
- Marie Austen
Jacaranda Community Centre
(to March 2005)
- Simone Kitsen-Coomb

Staff

- Corinne Mercer
Administration and Finance Officer
- Karel E ringa
Executive Officer
- Paul Pendergast
Research and Policy Manager
- Serena Williams
Project Officer
(August 2004 - February 2005)
- Jim Anthony
Project Officer
(from June 2005)
- Helen Doran-Wu
Project Officer
(from June 2005)

Financial Report

SHELTER WA (INC)

SPECIAL PURPOSE FINANCE REPORTS

FOR THE YEAR ENDED 30 JUNE 2005

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Balance Sheet

Statement of Financial Performance

Notes to the Financial Statements

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Independent Auditor's Report to the Members

Financial Report (continued)

SHELTER WA (INC)		
BALANCE SHEET AS AT 30 JUNE 2005		
	2005	2004
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash Management Account	-	52,209
ING Direct	87,851	-
General Cheque Account	2,194	2,263
Cash on Hand	200	200
Term Deposit	-	35,548
	<u>90,245</u>	<u>90,220</u>
NON CURRENT ASSETS		
Furniture & Equipment	39,548	28,629
Less: Accumulated Depreciation	(24,361)	(20,706)
	<u>15,187</u>	<u>7,923</u>
TOTAL ASSETS	<u>105,432</u>	<u>98,143</u>
LIABILITIES		
CURRENT LIABILITIES		
Business Credit Card	677	-
Income Received In Advance	33,475	34,121
GST Liability	3,229	6,912
PAYG Deductions Payable	5,676	4,764
Superannuation Payable	968	611
Provision for Leave	7,423	4,741
Provision for Redundancy	17,886	24,387
Provision for Long Service Leave	16,457	-
TOTAL CURRENT LIABILITIES	<u>85,791</u>	<u>75,536</u>
NET ASSETS	<u>19,641</u>	<u>22,607</u>
ACCUMULATED FUNDS		
Balance at the Beginning of Year	22,607	10,195
Add Surplus/(Deficit)	(2,966)	12,412
	<u>19,641</u>	<u>22,607</u>

Financial Report (continued)

SHELTER WA (INC)		
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005		
	2005	2004
	\$	\$
INCOME		
Bank Interest	3,111	1,898
Donations	82	50
Grants		
Lotteries Commission	10,790	-
Ministry of Housing & Works	140,722	136,482
Other	7,426	9,091
Membership Fees	1,168	1,677
Other Income	120	-
Write-back of Provisions	-	1,697
TOTAL INCOME	163,419	150,895
EXPENSES		
Audit-Legal	769	860
Bank Fees	91	165
Conference	1,162	1,506
Consultants	159	-
Courier	-	426
Depreciation	3,655	3,194
Equipment Less than \$300 written-off	1,526	1,612
Insurance	3,134	2,943
Maintenance Repairs	72	248
Management Committee	477	318
Memberships	550	407
Photocopying	800	1,052
Postage	1,442	1,048
Printing	980	504
Publications	352	235
Rent	5,460	4,974
Staff Training & Development	100	685
Stationery	186	395
Sundries	611	366
Telephone/Email	2,816	3,155
Travel		
Allowance	3,065	991
Car & Taxi Expenses	1,850	825
Flights	3,140	-
Council	-	428
Office	-	149
Projects	-	203

Financial Report (continued)

SHELTER WA (INC)		
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005		
	2005 \$	2004 \$
EXPENSES Continued...		
Wages		
Office	109,828	98,898
Provision for Annual Leave	4,591	-
Provision for Long Service Leave	953	-
Provision for Redundancy	9,002	3,444
Superannuation	9,614	9,377
Relief	-	75
	<u>166,385</u>	<u>138,483</u>
TOTAL EXPENSES	166,385	138,483
SURPLUS/(DEFICIT) FOR THE YEAR	(2,966)	12,412

SHELTER WA (INC)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

Note 1 - Statement of Accounting Policies:

These financial statements are a special purpose financial report prepared in order to provide accounts, which satisfy the requirements of the Associations Incorporation Act. The committee has determined that the association is not a reporting entity as defined in Statement of Accounting Concepts 1 "Definition of Reporting Entity" and therefore, as there is no requirement to apply accounting concepts or standards in the preparation and presentation of these statements, none have been adopted intentionally.

The statements have been prepared in accordance with the requirements of the Associations Incorporation Act. The statements are prepared on an accruals basis, whereby items are brought o account using the concept of matching expenditure with revenue. They are based on historic costs and do not take into account changing money values or except where specifically stated, the current values of non-current assets.

Financial Report (continued)

SHELTER WA (INC)

STATEMENT BY THE COMMITTEE OF MANAGEMENT

The committee of management of *Shelter WA (Inc.)* has determined that the association is not a reporting entity.

The Committee of Management have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee of Management the financial report as set out in the accompanying pages:

- a) *Presents fairly the financial position of the Shelter WA (Inc.) as at 30 June 2005 and its performance for the year ended on that date; and*
- b) *At the date of this statement, there are reasonable grounds to believe that the Shelter WA (Inc.) will be able to pay its debts as and when they fall due.*

This statement is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of them by:


OFFICER

X 
OFFICER

Dated at this 29 day of September 2005

Financial Report (continued)

SHELTER WA (INC)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Scope

We have audited the financial report, being a special purpose financial report of *Shelter WA (Inc)* comprising Statement of Revenue and Expenditure and Balance Sheet for the year ended 30 June 2005. The organisation's officers are responsible for the preparation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act (WA) and the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the organization. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the organisation's financial reporting requirements under the Associations Incorporation Act (WA). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than for which it was prepared.

Our audit has been conducted in accordance with Australian Accounting Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material aspects, the financial report is presented fairly in accordance with our understanding of the organisation's financial position, and accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the organisation's financial position, and performance as represented by the results of its operations. These policies do not require application of all Accounting Standards and other mandatory professional reporting requirements.

The audit opinion expressed in this report has been formed on the above basis.

Qualified Audit Opinion

As with similar organisations, due to the nature of certain incomes such as donations and fundraising, we are only able to audit that income when it is first recorded in the books and records of the organisation.

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Financial Report (continued)

SHELTER WA (INC)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the attached statements present fairly in accordance with the accounting policies described in Note 1 to the financial statements the financial position of *Shelter WA (Inc)* as at 30 June 2005 and the results of its operations for the year then ended.


HEWITT TURNER & GELEVITIS
Audit Assurance Division


TIMOTHY PAUL TURNER
Registered Company Auditor

Dated: 6th October 2005
Perth, Western Australia

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