

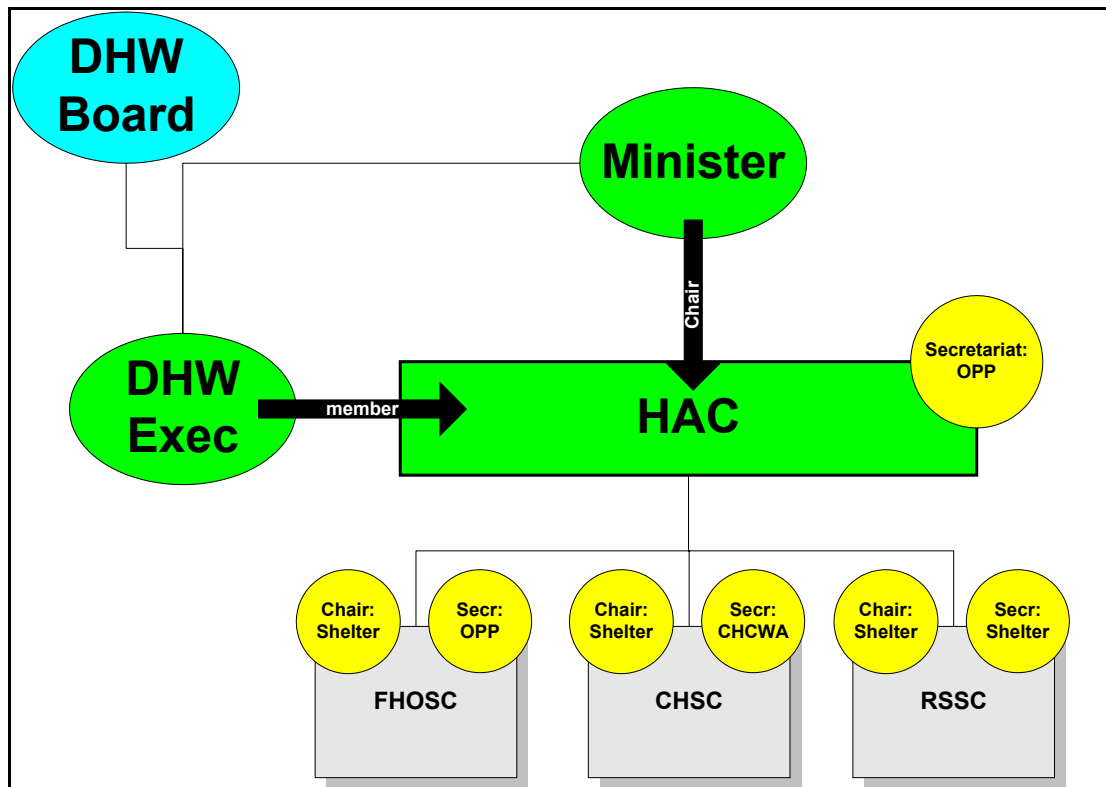
**Background**

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.

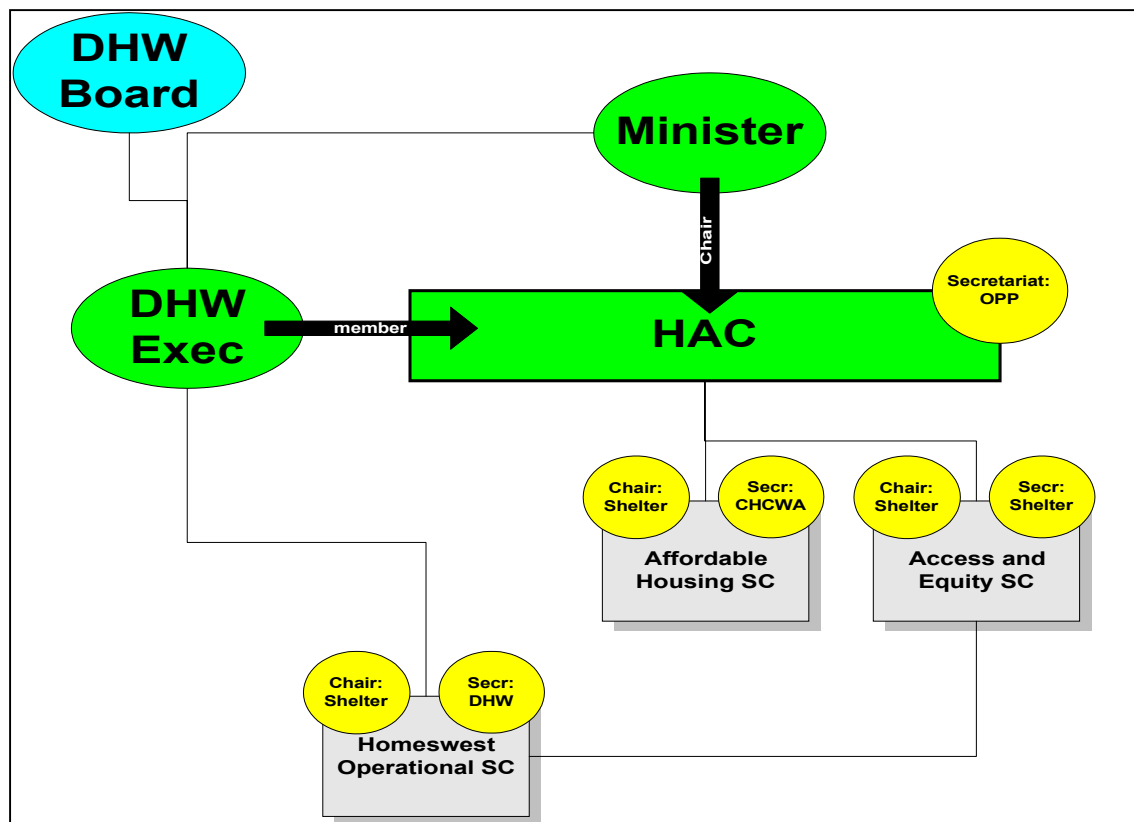
Recently, the HAC was reviewed. Key outcomes of the review were that the Minister now chairs the Committee (instead of an independent chairperson) and that the role of the Committee has become more strategic. Since the implementation of the review recommendations, it has been recognised that the Standing Committees structure of the HAC also needs restructuring.

Shelter WA prepared an Options Paper (dd. 3 September 2002), and at its meeting of 23 October 2002, HAC gave its in principle support to 'Option 3'. The features of the existing Standing Committee structure and the proposed new structure are outlined in the two diagrams below.

*HAC: Existing Structure*



## HAC: Proposed New Structure



In brief, the proposed new structure addresses a number of issues, including:

- Establishing a separate Standing Committee to deal with Homeswest operational issues (HOSC)
- Dividing the workload more equally between the various Standing Committees compared to the current structure.
- Operational issues are no longer presented to HAC directly.

However, the October HAC meeting did identify a number of issues that need to be resolved regarding the proposed new structure:

1. Appropriate level of resourcing for the Standing Committees.
2. Delineation of responsibilities between the three Standing Committees.
3. Relationship between the upcoming Community Housing Strategic Plan and the HAC structure in general and AHSC in particular.
4. Reporting and Membership
5. Secretariat of the Standing Committees.

### 1. Appropriate level of resourcing for the Standing Committees

The recent HAC Review identified a perception amongst members that one of the root causes of the suboptimal functioning of all three Standing Committees was the inadequate level of resourcing. The most pressing areas where this occurred were

the RSSC Secretariat function and the Chairing of the RSSC and the FHOSC. Table 1 below presents estimates by Shelter WA and CHCWA on the average number of hours spent *per meeting* on the chairing and secretariat functions for the various Standing Committees.

	Chair	Secretariat	Total
<b>RSSC</b>	8	13	<b>21</b>
<b>CHSC</b>	5	<u>7</u>	<b>12</b>
<b>FHOSC</b>	4	<u>4</u>	<b>8</b>
<b>Total</b>	<b>17</b>	<b>24</b>	<b>41</b>
<i>Average</i>	<i>5.7</i>	<i>8.0</i>	<i>13.7</i>

*Table 1: Average time currently spent on Secretariat and Chair functions for HAC Standing Committees, 2001/02 (hours per meeting).*

As was noted above, the current level of resourcing for RSSC was deemed grossly inaccurate by its members and FHOSC has not met on a regular basis for some time. Nevertheless, as the total amount of resourcing is not expected to change with the new structure, the table does give an indication of the minimum level of resourcing that is required.

Specifically, HAC should ensure that Standing Committee chairs are resourced for a minimum of 6.0 hours per meeting, and Secretariats for a minimum of 14.3 hours per meeting. Assuming six meetings per year, wage rates at SACS Level 7 (Chairs) and Level 5 (Secretariat) plus 15% oncosts, each of the Standing Committees would require a minimum annual budget of \$4,034, being:

- \$3,041 for the Secretariat function (including \$1,000 for administration), and
- \$993 for the Chairing function, and

However, this does not include sitting fees and venue hire, which have traditionally been supplied by the Department of Housing and Works. The apparent high degree of underresourcing for RSSC would make a funding level of \$3,500 - \$4,500 per Standing Committee appear more realistic.

**Recommendation 1: That HAC support a total budget of \$12,000 per year for the chairing and administration of its Standing Committees, being \$3,000 for each Secretariat and \$1,000 for each Chair.**

Finally, it should be noted that currently Shelter WA receives \$2,760 per year for the RSSC Secretariat while CHCWA receives an unspecified amount as part of its core funding for the CHSC Secretariat. Shelter WA carries the costs of chairing the three Standing Committees and the costs of the FHOSC Secretariat are internalised within the Office of Policy and Planning. If Recommendations 5-8 are accepted, it is estimated that Recommendation 1 would increase the total annual expenditure for maintaining the HAC structure by \$3,240 per year.

## **2. Delineation of responsibilities between the three Standing Committees.**

Both the September Options Paper and the October HAC meeting expressed concern about the delineation of responsibilities between the three new Standing Committees. While the responsibilities of HOSC were relatively clear, concern was expressed about the delineation of authorities between AHSC and AESC.

To a large extent, this concern stems from the fact that affordability and access are interrelated concepts, ie. decreasing housing affordability means decreasing access to affordable housing. However, the concept of accessibility is broader than that of affordability: housing consumers may face a number of barriers to accessing appropriate housing in addition to affordability. Such barriers include racism, shortage of stock of an appropriate size, discrimination against young people, etc.

In terms of the delineation of responsibilities between AHSC and AESC, it is proposed that AHSC will investigate the financial dimension of accessibility, while AESC will investigate all other dimensions of accessibility. In addition, it is envisaged that AHSC will concentrate on expanding affordable housing stock, while AESC will concentrate on access and equity issues (other than affordability) with regard to existing housing stock. Both Standing Committees will work across tenure.

Finally, it is acknowledged that to some extent the separation of responsibilities between AHSC and AESC remains artificial. However, the proposed division mechanism has the advantage of creating two distinct Standing Committees with what are envisaged to be more balanced workloads than the current structure. In order to allow for the separation between the two Standing Committees to be worked out in practice, a review of the Terms of Reference below is recommended after a period of one year.

**Recommendation 2: That HAC adopt the attached Terms of Reference for the three Standing Committees.**

**Recommendation 3: That HAC review the Terms of Reference of the three Standing Committees after a period of one year.**

## **3. Relationship between the upcoming Community Housing Strategic Plan and the HAC structure in general and AHSC in particular.**

At the October HAC meeting, two issues were raised regarding the relationships between the community housing sector and the proposed new HAC structure.

Firstly, concern was expressed that the new structure should integrate to some extent with the forthcoming Community Housing Strategic Plan to be developed by the DHW Board by January 2003. The scope of the CHSP is as yet unclear. However, the Board may devise either a broad strategy to increase the provision of affordable housing in general, or a more narrow approach targeting community housing *per sé*. The implications for AHSC are that its Terms of Reference should allow sufficient flexibility to explore issues and strategies raised in the Community Housing Strategic Plan.

Secondly, there is no longer a Standing Committee in the new structure that deals specifically with community housing issues. Concern was expressed that community housing issues might get lost amongst issues from other tenures. However, since community housing is the only growth sector with regard to affordable housing, and the only sector with the potential for innovation, it is envisaged that AHSC will contain a large proportion of community housing issues. This could be institutionalised in the structure by including references to community housing in the Committees Terms of

Reference. In addition, AHSC's performance with regard to community housing should be included in the Review of the HAC Structure (see Recommendation 3).

**Recommendation 4: That the Review have regard to way community housing issues are dealt with in the new structure.**

#### **4. Reporting and Membership.**

Several participants at the October HAC meeting expressed a view that reporting was key to the usefulness of HOSC. In particular, the Minister expressed a desire for his Office to be represented on HOSC, while REIWA expressed a desire for HOSC to report to AESC, in order to ensure that HAC members continue to be informed of important issues that are brought up at HOSC.

From a pragmatic point of view, it is also important that membership for each of the Standing Committees be as low as possible. Larger numbers increase both Secretariat costs and sitting fees. The Terms of Reference include proposed membership lists and reporting requirements for each of the Standing Committees.

#### **5. Chair and Secretariat of the Standing Committees.**

Shelter WA currently chairs all three Standing Committees and has indicated its willingness to chair the three new Standing Committees under the terms expressed in Recommendation 1.

Shelter WA, CHCWA and the Office of Policy and Planning do Secretariat duties for RSSC, CHSC and FHOSC respectively. As reported above, concern has been expressed that Shelter WA is underresourced to appropriately carry out the RSSC Secretariat. In addition, there is a question regarding whether the Office of Policy and Planning or CHCWA is the logical candidate to perform the Secretariat function for the AHSC. CHCWA has expressed concern that its workload would increase if it is to provide the Secretariat for the AHSC. Finally, the most logical candidate for the HOSC Secretariat would be Shelter WA, although there would be funding implications here.

A pragmatic approach is proposed: for the Secretariat function of each of the Standing Committees to be performed by the organisation to whom the Terms of Reference of each Committee apply most closely.

**Recommendation 5: That Shelter WA continue to chair all three Standing Committees.**

**Recommendation 6: That CHCWA provide the Secretariat for AHSC.**

**Recommendation 7: That Shelter WA provide the Secretariat for AESC.**

**Recommendation 8: That the Department of Housing and Works provide the Secretariat for HOSC.**