

# BOARD ROOM BRIEFING – BRISBANE 10 MAY 2017



Sustainable  
**Built Environment**  
National Research Centre

## 1.41 VALUING SOCIAL HOUSING

NSW Land & Housing Corporation  
Queensland Department of  
Housing & Public Works  
Western Australian Housing  
Authority  
Curtin University  
Griffith University

Project Partner:  
National Affordable Housing  
Consortium

## 1.54 PROCURING SOCIAL & AFFORDABLE HOUSING

NSW Land & Housing Corporation  
Queensland Department of  
Housing & Public Works  
Western Australian Housing  
Authority  
BGC Residential  
Curtin University  
Griffith University

Project Partner:  
Keystart

Project Leader – Judy A. Kraatz  
[j.kraatz@griffith.edu.au](mailto:j.kraatz@griffith.edu.au)

**Rethinking Social Housing**  
Aug 14 - Sept 15

**Valuing Social Housing**  
March 16 - March 17

**Procuring Social & Affordable Housing**  
Apr 17 - Sept 18

**Developing the Strategic Evaluation Framework**

**Develop Framework Strategy**

**Develop Framework Elements**

**Develop Procurement Criteria**

Applicable to future innovative delivery models  
Consider timescale, location & granularity

Establish methodologies for:

- Associations
- Composite Return on Investment (CROI)

A- Typologies & Demography:

- Review of literature
- Picture of demographic changes

Develop productivity-based conceptual framework - benefits to: tenant; macro-economic; fiscal & non-economic

Identify data needs, sources & availability

B - Procurement approaches :

- comparing & contrasting different approaches
- 360 survey of stakeholders

Establish Elements:

- 9 Domains, 53 outcomes & over 160 indicators
- Associations
- Return on investment
- Data

C - Review funding & financing models

D - Criteria for social value procurement:

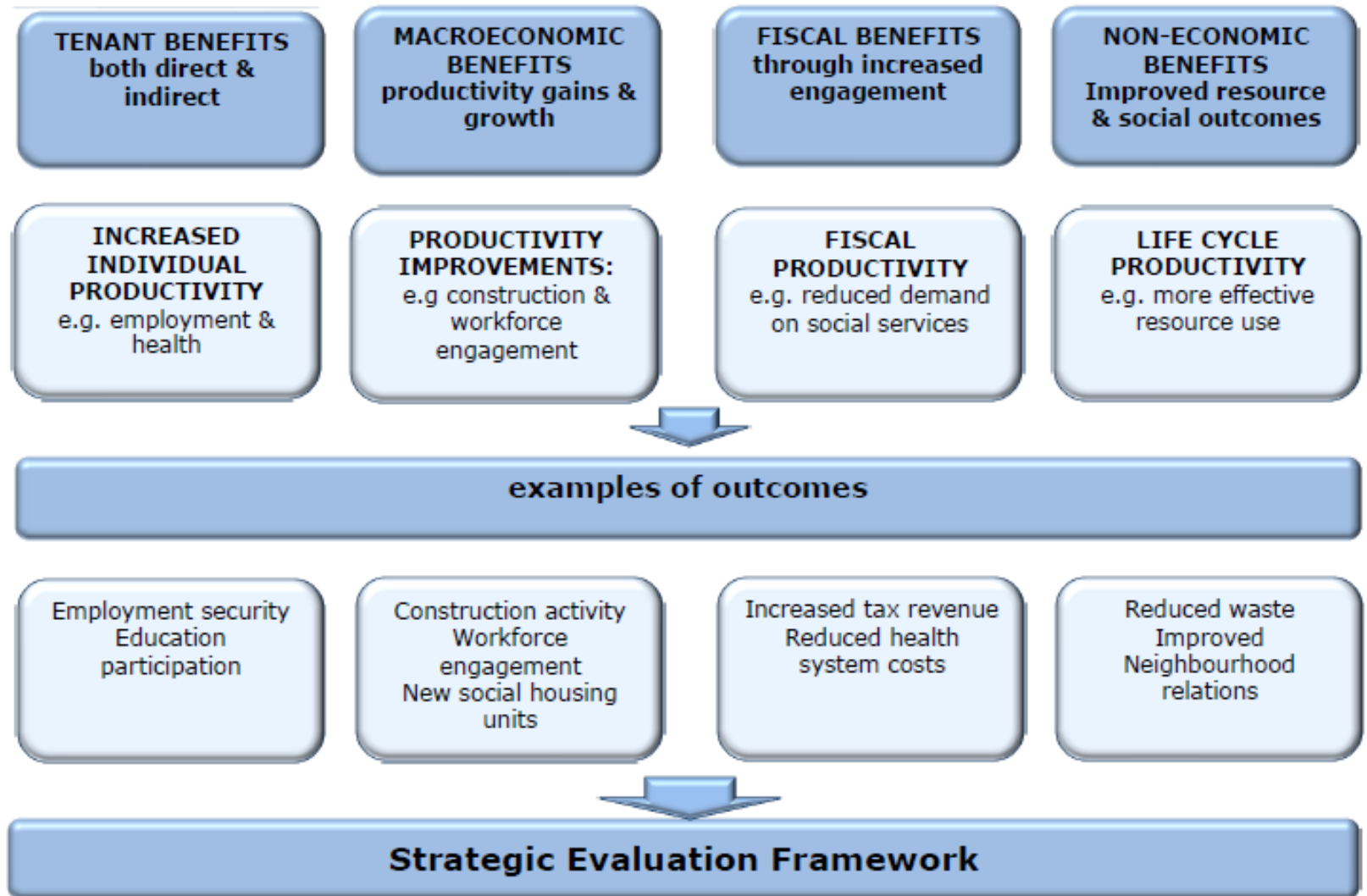
- Develop from above and consultation with core partners

# 1.41 Valuing Social Housing Team

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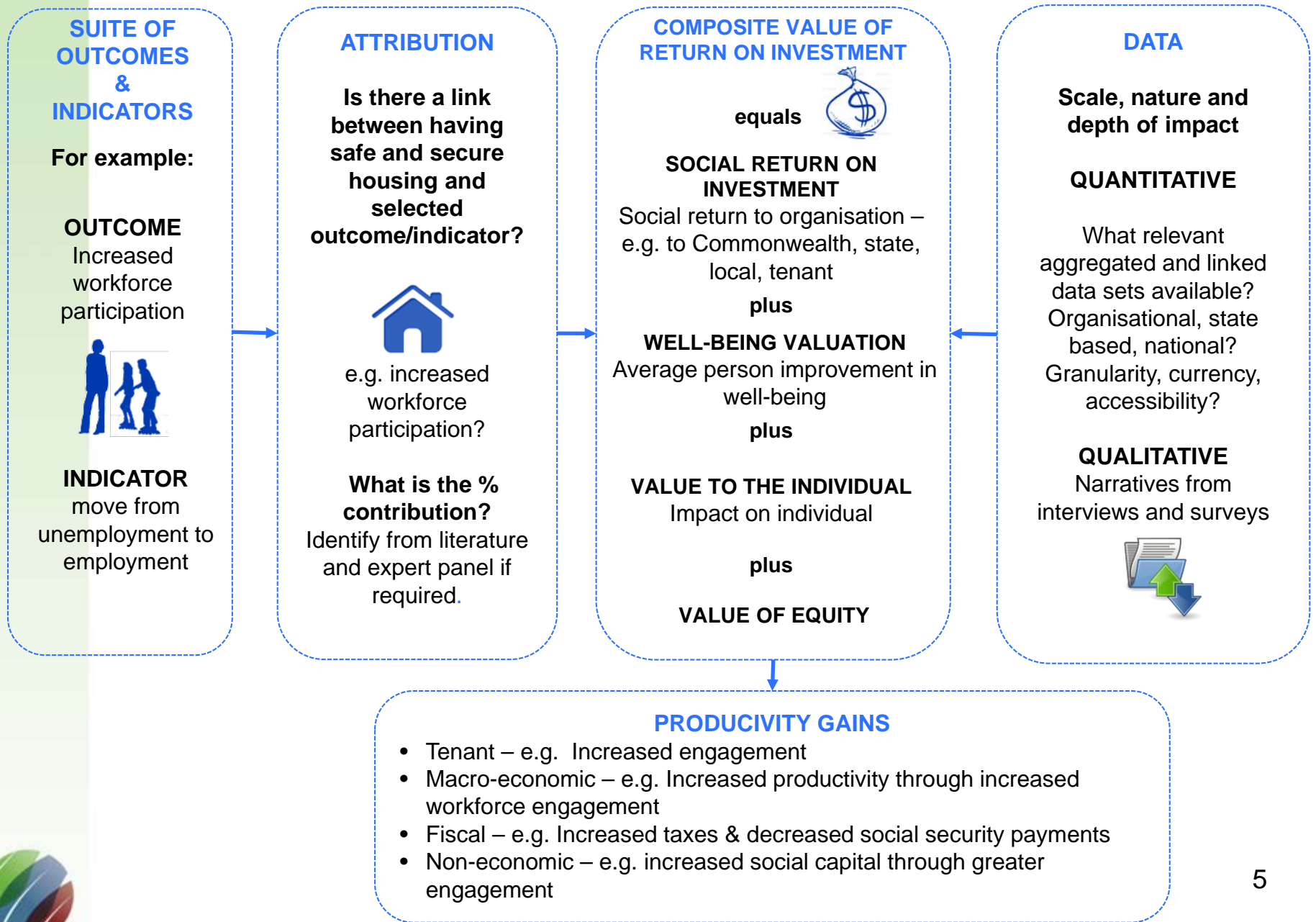
- **Core Partners:**
  - Western Australian Housing Authority – Sarah Mewett & Veronica Pannell
  - Queensland Department of Housing and Public Works – Heidi Roberts
  - NSW Land and Housing Corporation – Kathy Roil, Kim Shmuel & Jessica Dominguez
  - Griffith University - Judy Kraatz
  - Curtin University - Giles Thomson & Peter Newman
- **Project Partner:** National Affordable Housing Consortium – Mike Myers
- **Project Affiliates:**
  - Judy Yates - Project Steering Group Independent Chairperson
  - Access Housing - Lyn Brun
  - Brisbane Housing Company – Roxy Hotton
  - Common Ground Brisbane - Sonia Keep
  - KPMG - Tina Davey
  - Logan City - Andre Brits

# Productivity-based conceptual framework\*



\* Developed in Project 1.31 Rethinking Social Housing

# The Four Elements - in detail



# Element 1 - Domains, Outcomes & Indicators



## Community

(31 indicators)

- Rights & empowerment
- Equitable opportunities
- Community connectedness
- Social capital and cohesion
- Culturally rich
- Strong neighbourhood
- Perceptions of disorder



## Education

(20 indicators)

- Increased participation
- Enhanced performance
- Access

## Urban Amenity

(21 indicators)

- Place-making
- Neighbourhood resources
- Socialising
- Area regeneration
- Access to community activities
- Cultural heritage & identity
- Urban design



## Environment

(19 indicators)

- Reduced resource consumption
- Reduced resource waste
- Bldg & site design appropriates & quality
- Quality of life +ve impact on environment
- Appropriate density



## Employment

(5 indicators)

- Increased participation
- Mobility



## Housing

(30 indicators)

- Improved access
- Ability to maintain tenancy
- Appropriate targeting & provision
- Effective provision
- Higher levels of inclusion
- Improved amenity
- Effective asset management
- Adequate insurance



## Social

(17 indicators)

- Improved social wellbeing
- Reduced antisocial activity
- Reduced drug & alcohol dependence
- Improved family relationships



## Health & Wellbeing

(8 indicators)

- Improved physical & mental health
- Reduced service demand
- Improved access to services
- Active & healthy living
- Improved productivity
- Improved access to healthy living



## Economy

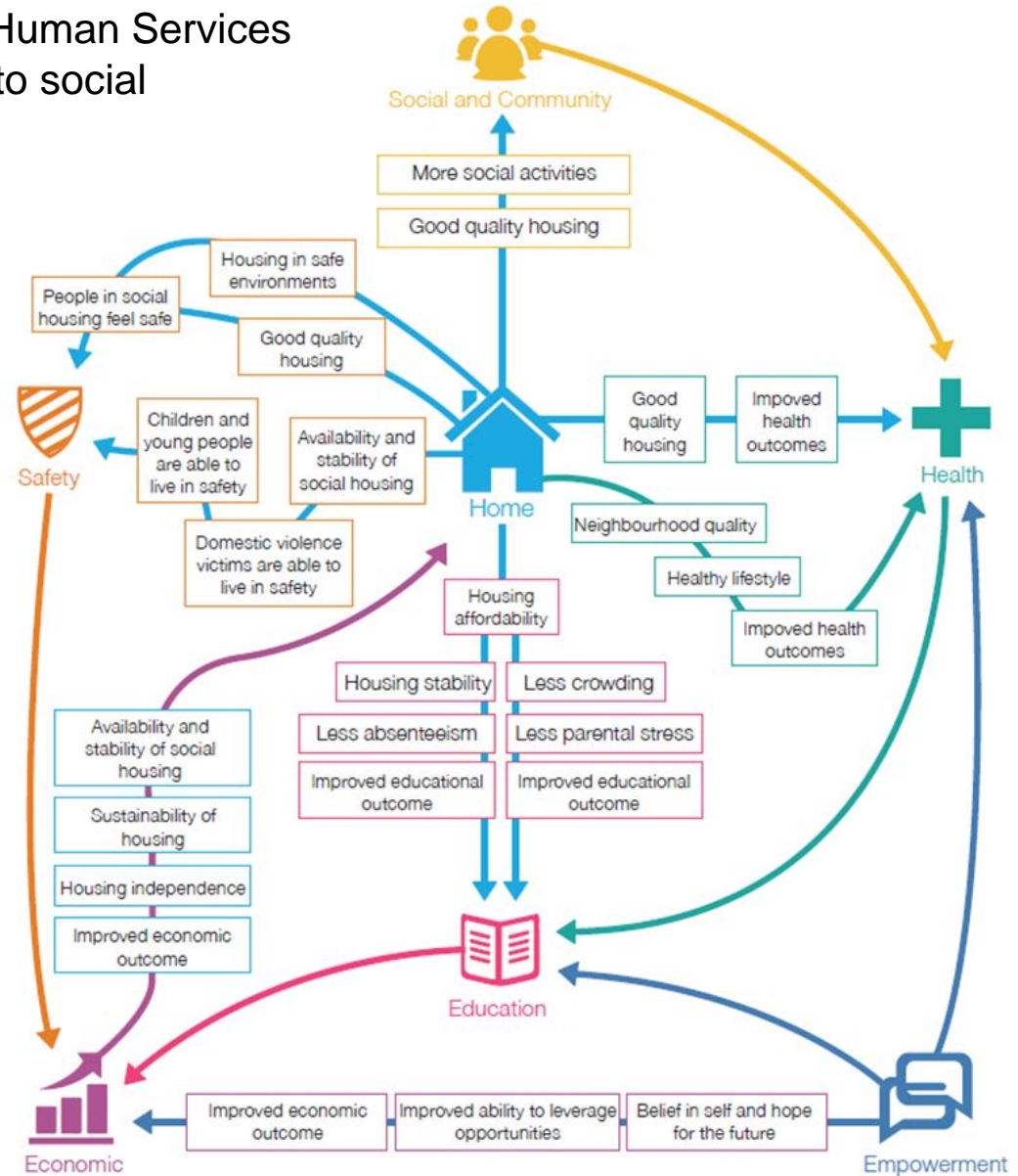
(33 indicators)

- Property values
- ROI
- Business Agility
- Economic stimulation
- Industry & personal productivity
- Long term savings
- Financial flexibility
- Reduced financial stress
- Housing affordability & Availability
- Balanced supply and demand
- Reinvestment in housing & services



# Element 2 – Identifying & illustrating associations

An example – Causal Web - NSW Human Services Outcomes Framework: Application to social housing\*



\* Chilvers, M., J. Stewart, V. Rose and J. Miller (2016). NSW Human Services Outcomes Framework: application to social housing: Shared Outcomes Workshop. Sydney, Australia, NSW Families and Community Services.

## Element 3 - Data

- Comprehensive summary of relevant data sources identified & provided in Final Research Report
- Data and Social Housing virtual roundtable held - identified key issues & opportunities
- Linked data opportunities important –allows for the longitudinal analysis of individuals to articulate the impact of housing - with data analysis looking at outcomes before housing, outcomes in housing, and outcomes after housing – used by
  - Telethon Kids Institute in WA - <http://telethonkids.org.au/about-us/>
  - NSW Data Analytics Centre - <https://www.finance.nsw.gov.au/nsw-data-analytics-centre>
  - The Australian University Researcher Infrastructure Network (AURIN) - <https://aurin.org.au/>
- Data visualisation examples provided





# Element 4 - Composite Return on Investment (CROI)

## SUB-ELEMENT 1

### Social Return On Investment

**Input** - \$s invested into social housing provision as a program

**Output** - measure of broader benefits accrued to society as ratio of outcome to input or aggregated \$ value

**Return on investment to investor** - through establishing theory of change; for identifying indicators; financial proxies; \$ values; apply sensitivity analysis; and aggregating

**Key productivity focus** – macro-economic & fiscal

## SUB-ELEMENT 2

### Well-being valuation

**Input** - \$s invested into social housing delivery

**Output** - Head-line well-being values of broader benefits x number of people impacted = social benefit

**Improvement in well-being** - life satisfaction - values derived from national databases for people that resemble those in which investment is made

**Key productivity focus** - macro-economic & fiscal

## SUB-ELEMENT 3

### Value to the individual

**Input** - \$s invested into provision of social housing for an individual

**Output** - accounting for value in the individual context

**Impact on Individual** - How a person's life changed as a result of social housing (type, scale and depth of impact) - determined through narratives

**Key productivity focus** - individual and non-economic

## SUB-ELEMENT 4

### Value of equity

**Input** - \$s invested into provision of social housing for a society

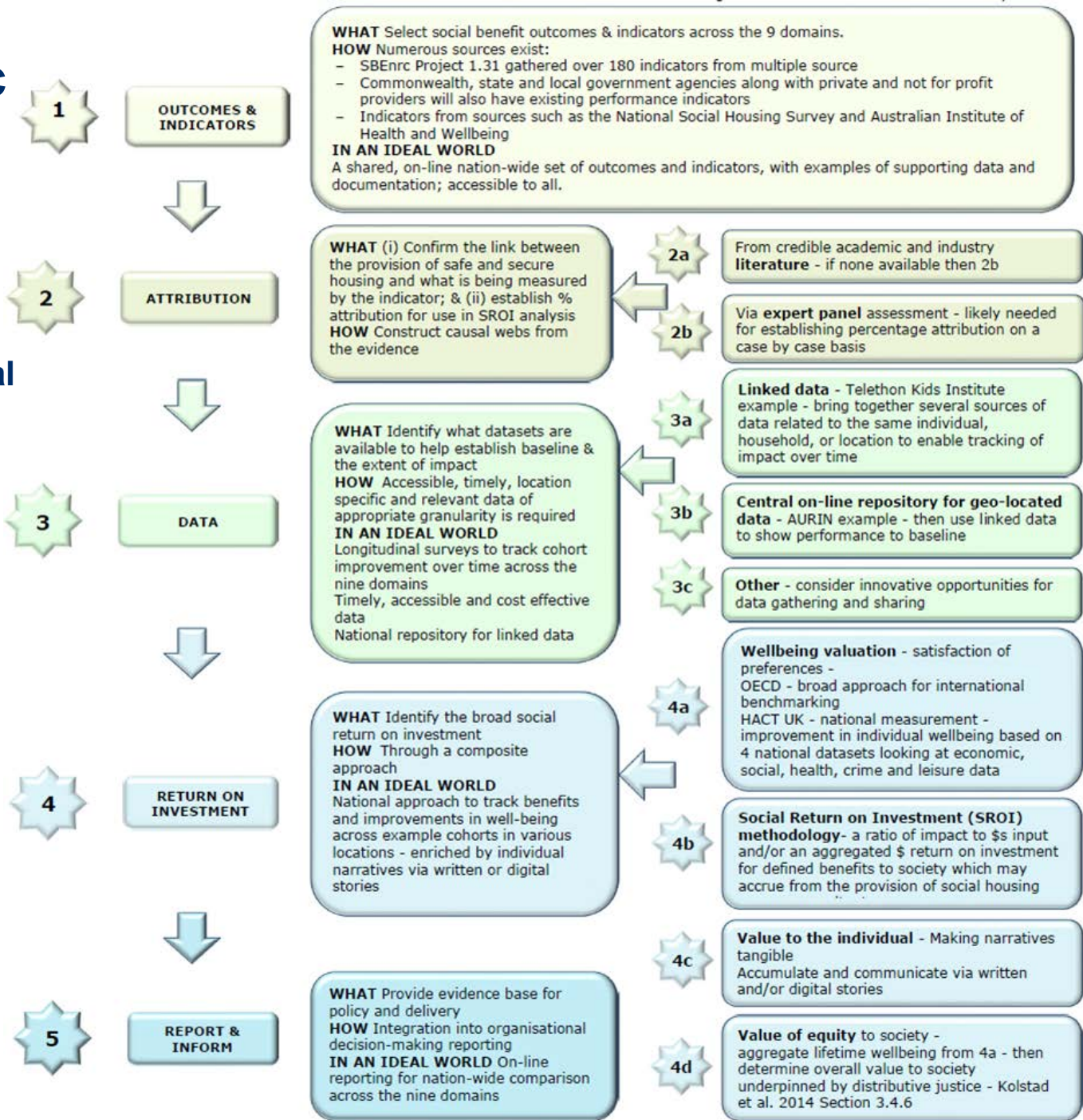
**Output** - value to society of equitable distribution of resources

**Impact on society** - a given total of wellbeing is more valuable the more evenly it is distributed

**Key productivity focus** - social capital

# The Strategic Evaluation Framework Flowchart

See also in our Final Reports



# 1.54 - Procuring Social & Affordable Housing

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- **Core Partners:**
  - BGC Residential – Carl Barrett
  - NSW Land and Housing Corporation - Kathy Roil, Kim Shmuel & Jessica Dominguez
  - Queensland Department of Housing and Public Works - Bronwyn Evans & James Sedman
  - Western Australian Housing Authority - Sarah Mewett & Veronica Pannell
  - Curtin University - Mariela Zingoni de Baro & Peter Newman
  - Griffith University - Judy Kraatz & Andre Brits
- **Project Partner:** Keystart Home Loans - John Coles, PSG Chairperson
- **Project Affiliates:**
  - Access Housing – Lyn Brun
  - Community Housing Industry Association - Peta Winzar
  - KPMG - Tina Davey
  - National Affordable Housing Consortium - Mike Myers
  - NSW UDIA - Justin Drew
  - Victorian Social Housing & NDIS Reform Group - Alex Dordevic

# 4 parts to better aligning social value procurement & delivery

Part A - Typology & demographics

Part B – Procurement approaches

Part C – Financing and funding models

Part D – Criteria for social value procurement

# Part A - Typology & demographics

## Review of literature

- changing housing typologies of social & affordable community rental housing demand in WA, Qld and NSW
- limited review of international literature of alternate typologies e.g. long term cooperatives, collaboration with private co-owners, participatory design & sustainable precincts
- Focus on Canada, US, UK & selected northern European countries

## Desk top research

- Changing demographics & impacts in WA, Qld & NSW - detailed data release 2016 Census on 27 June



## Part B – Procurement approaches

### Review of literature

- Summary of approaches in WA, NSW & Qld, comparing & contrasting different forms of approaches to social housing and affordable community rental
- limited review of relevant international procurement approaches, with the primary focus on current research in Canada, US, UK & EU.

### 360 degree survey of stakeholders

- incl. gov. delivery agencies, developers, architects, planners, asset managers, financiers and service providers in WA, NSW & Qld.

## Part C – Financing and funding models

Review of financing and funding models:

- in Australia & internationally (esp. the UK),
- how private sector finance can enable builders and developers to deliver social and affordable housing as a lower price by volume

## Part D – Criteria for social value procurement

Development of a set of criteria for analysis of social value procurement approaches, with recommendations to:

- optimise procurement efficiency & provide clarity, consistency & transparency around social value delivery
- ‘find-the-best-fit’ in optimising the investment risk equation & aligning the benefits



# Proposed engagement

Work with partners to:

- consolidate current practices & disseminate an overview of current practices
- develop 360 degree survey to address specific issues identified from an organisational perspective
- ensure that the social value criteria identified for analysis of procurement approaches is applicable in each agency environment to enable integration



# Dissemination and knowledge transfer

Via:

- Partner agencies
- Industry associations such as CHIA
- AHI's publication – HousingWORKS
- QShelter State Conference – June 2017
- AHURI National Housing Conference – Nov 2017
- Liveable Cities Conference - 2018
- European Network of Housing Researcher (ENHR) newsletter
- Research and industry reports
- Other .....



# Thank-you

*1.54 Procuring Social and Affordable Housing at:*

<http://www.sbenrc.com.au/research-programs/1-54-procuring-social-and-affordable-housing-improving-access-and-delivery/>

*1.41 Valuing Social Housing at:*

<http://www.sbenrc.com.au/research-programs/1-41-valuing-social-housing/>

*1.31 Rethinking Social Housing at:*

<http://www.sbenrc.com.au/research-programs/1-31-rethinking-social-housing-effective-efficient-equitable-e3/>