

3. Future Direction for Narira Committee

The Narira Committee has been operating a community housing model, on Council's behalf, in Cobargo for the past 25 years. New directions from the NSW Departments of Housing and Local Government and Council's own committee review necessitate changes to the management of the facility.

Group Manager, Community and Relationships

BACKGROUND

10 Council has been conducting a review of the operations of all of its committees and a number of issues have been identified that relate specifically to the Narira Committee. These issues are mostly related to the operation of a community housing facility and the management of funds held by the committee.

The Narira Committee has been operating a community housing facility, on Council's behalf, in Cobargo for the past 25 years. The development consists of ten units of housing, eight built through funds raised by the committee and two newer units built with funding from the Department of Housing. The Committee through Council have purchased land adjacent to the facility and have, over the years, accrued the sum of \$130,000 for future development.

20 The Committee have done a highly commendable job, managing all aspects of the housing development including maintenance, repairs, tenancy support and rental collection with minimal input or assistance from Council. Currently the ten units are tenanted and there is a waiting list for future vacancies.

Without the committee's endeavours this important community asset would not have been developed. However, as with many community endeavours the level of accountability required by Government agencies has increased significantly in recent years.

30 Currently Housing NSW (formally Department of Housing) expects that all community housing providers undertake an accreditation process to ensure that a minimum standard of housing and housing management systems are in place. This is a very involved and lengthy process providing evidence that a number of policy and procedure practices are in place.

Several meetings have been held involving the Mayor, the Narira Committee and Council staff to look at the best management model for the future.

The major considerations were to reduce the risk that Council faces under its current form of operation, ensuring that the funds the committee hold are committed to the future development of the site, ensuring that affordable housing continues to be offered

in Cobargo and that the Committee can maintain involvement in the future direction of the facility.

Should Council continue to manage the facility, through the Committee, they will maintain all risk and responsibility relating to the operation of a community housing project and the implementation of the Housing Regulation.

At this point there are no formal systems in place and it would take a considerable amount of staff time and resources to bring the policy and procedures management of the Narira Village facility up to the standard that is expected by Housing NSW. Council would also have the ongoing responsibility for the management of the facility and the tenants.

Alternatively Council can hand over management of the facility to an Accredited Community Housing provider, normally not for profit organisations, that are set up to manage community housing stock, asset management, tenancy issues and to implement the requirements of NSW Housing regulations.

This type of organisation would be well placed to lease and manage the facility, with Council maintaining ownership to ensure that this valuable community asset, and the past efforts of the committee, is protected into the future.

Following discussions it is the view of Council staff and the current committee members that this final model is the most appropriate for the future. There would need however to be requirements of the provider to continue to provide an opportunity for local input into the management of the facility and planning for the future. Council staff believe that this can be achieved through a lease/licence arrangement with an appropriate locally based body.

ISSUES

Legal

There is liability risks associated with the operation of a Community Housing project, particularly relating to the duty of care towards tenants. At present this risk is not being managed. Council needs to ensure that the Housing Regulation is correctly applied and management for the facility complies with the Regulation.

Asset

Council would retain ownership of the land and housing asset, the Community Housing provider would maintain responsibility for the ongoing maintenance costs.

Social / Cultural

There is an identified need for affordable community housing in the Bega Valley. The Narira Village project addresses this need in the Cobargo area. It is critical that this service is maintained.

Financial

The committee have accrued significant cash reserves, quarantining these reserves for the Narira Development would safeguard against future financial risks for Council and ensure that funds raised locally are protected into the future for the development of the site.

Resources (including staff)

80 There are implications for staffing resources should Council decide to maintain management of the facility in Cobargo. It is envisaged that seven hours per week over a period of several months would be required as a minimum, to bring the facility into line with Housing NSW regulations and guidelines. Ongoing management would then be required to ensure compliance with the regulations.

Operational Plan

The direct provision of community housing is not part of the current operational plan, nor does Council have the capacity to deliver this service without additional resources.

CONCLUSION

90 Council is exposed to risks in terms of the management of a community housing facility, particularly in relation to the tenants. Council also has a role to play in ensuring that this important community asset is maintained and allowed to grow as need increases.

It is recommended that Council prepare an Expression of Interest for the lease and management of the Narira Village facility by a local Accredited Community Housing provider that will ensure:

- The lease is of a length that will give the Community Housing Provider some surety into the future.
 - The Community Housing Provider has responsibility for compliance with relevant regulations, the day to day management and tenancy of the facility and the associated insurance liabilities.
 - The facility and adjacent lands remain in the ownership of Council to ensure its future.
 - Any funds accrued by the committee are held by Council and quarantined for the future development of the facility
 - The Narira Committee maintain an ongoing formal relationship with the Community Housing provider through establishment of a sub committee or some other agreed formal structure.
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RECOMMENDATION

That Council call for expressions of interest from local Accredited Community Housing providers to lease and manage the Narira Village facility and that the Mayor and General Manager be given authority to execute the documents.