



**nsw Federation of  
Housing Associations inc**

**ABN 86 488 945 663**

# **Minutes**

## **Board of Directors Teleconference**

Held 31<sup>st</sup> May 2007

*Meeting opened 4pm*

### **Welcome**

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**Present:** Nick Sabel, Mohamed Ibrahim, Stephanie Cunningham, Judith Beveridge

**Apologies:** David Matthews, Beverly Wiggins, Coral Garratt (Patrick Yeung, leave of absence)

**In Attendance:** Adam Farrar, Wendy Rockwell

### **1. CHLP Submission**

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Key areas of the submission were discussed, including:

Although we have no problem with the “CHLP Objectives”, there is great concern that there is an explicit shift to a competitive purchasing arrangement (which could lead to precise micro-management by government).

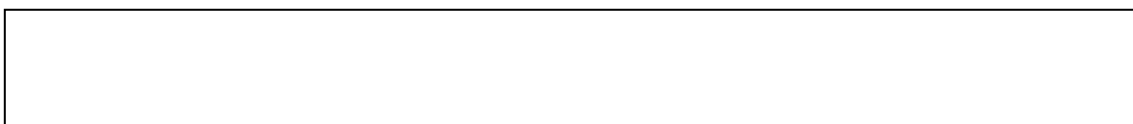
There has been a philosophical shift away from ‘investment’ (grant giving) toward ‘purchasing a service’. Government may not have thought about the consequences of such a shift.

The sector does not think a tendering approach is sustainable in the long term (inefficient financially, and damaging to tenants). The hybrid approach is also not great, which leaves the benchmarks approach. Maura Boland requested that we put forward suggestions if we were not happy with the above three proposals.

The board discussed how an incentive approach might work – if associations were allowed to use their surpluses to increase efficiencies rather than trying to drop costs.

A new model might focus on rent subsidies.

Capital and leasehold should not be treated differently.



It was pointed out that if capital properties began to make a loss, why would any housing associations take on further stock transfers (and would this formula also affect supported tenancies?)

It was discussed that government might be following a trend along with other parts of the community sector, but the Federation must argue that our sector is different.

The Board agreed that Fed/OCH should make sure there is a process for resolving these issues, and that the Reference Group is the appropriate forum for this process to occur.

**ACTION: The Board approves the CHLP Submission to be sent to OCH with the following issues included:**

- Argue the philosophical direction should be away from a competitive “purchasing” arrangement, and back toward an ‘investing’ partnership.
- Have a funding model that focuses on incentives.
- Highlight that it is not possible to make a capital portfolio stand on its own (and this may affect future stock transfers). Tenants may ultimately be hurt by an arrangement that is not well thought out (ie; associations may tighten up on arrears, or increase rents).
- Future processes to deal with these issues should be clear outlined, and directed to the Reference Group.

*Meeting closed: 4:50 pm*

