

## **Submission to National Commission of Audit**

### **Not For Profit Associations help people to take care of themselves and others**

The Tenants' Union of Queensland Inc (TUQ) is a community based Incorporated Association located within the broader Queensland health and community services industries. These industry sectors employ over 270,000 employees comprising a substantial proportion of the state's total labour market. As part of the broader national picture comprising some 600,000 NFP organisations, the TUQ is located with the 26% of NFPs delivering social services and housing activities nationally. NFPs themselves contribute 4% of Gross Domestic Product with a turnover of \$100B annually. In Queensland these sectors injected more than \$16.2 B to the state economy in 2010/11 and therefore the NFP economic contribution is significant.

There is also the direct and indirect economic and social benefit to the communities served by NFPs. In our case, there are similar organisations providing tenants services to people who rent their homes in Queensland. The TUQ provides training, support and other resources to these organisations. This system operates throughout each Australian State and Territory. At least 30% of Australian households rent their homes with these figures increasing to 33% in Queensland. There are currently over 500,000 formal tenancies in Queensland. A significant proportion of people who rent can experience difficulty in accessing secure and affordable rental accommodation.

### **People who rent their homes are receiving value from Commonwealth government funded tenant specific services in Queensland**

Australians who rent their homes have been using our services for over 27 years in Queensland. These services are essential to ensuring tenants are able to access assistance and support when required to retain their rental accommodation housing. Secure housing is an important foundation for a stable and economically independent population. The absence of support services to vulnerable tenants contributes to homelessness, disruption and detriment to the real estate industry and provides significant barriers to economic and education participation for both adults and their dependent children living either temporarily or permanently in rented homes.

Only 3 to 5% of Queensland households live in social housing. The vast majority of renters are in the private rental market and supporting these tenants assists to keep them privately housed.

The Commonwealth government allocated \$2.5m in funding to the TUQ to maintain 15 local services to tenants throughout the state in 2013 for a 6 month period to December 31. This was in addition to ongoing allocation for 13/14 from the joint Commonwealth State Community Legal Services Program (CLSP).

It would be counterproductive to achieving government policy objectives in relation to efficiency and effectiveness should these services no longer be available to tenants. There is a compelling case to continue services to tenants. The NFP is best positioned to continue tenant specific services and there is a strong case to continue this funding in order to preserve and build ongoing benefits to both tenants and their families, the real estate industry and the Queensland Civil and Administrative Tribunal where disputes are heard.

### **Introducing new contestability processes would be inefficient**

This is not an area where increasing contestability would be efficient as the NFP TUQ is a human service organisation which has developed specialist expertise since 1986. Human service organisations must be able to focus scarce government resources on frontline service provision.

Not only is there a danger that the loss of frontline services to tenants from all walks of life will impair the integrity of the Queensland rental sector but also there is the potential loss of policy and program resources in the NFP and government sectors. It is more efficient and effective to retain expertise within the NFP built up over 25 years and this increases value to government contracts and investment. The current commonwealth state arrangements are better suited than constantly having to reapply for short term funding. This sort of contestability process detracts from and draws priority away for longer term service delivery that can be systematically improved by streamlining and performance monitoring.

Therefore there should be a continuation of the current funding allocation to the TUQ in 2014. In particular the emergency funding needs to continue so that the fiscal and economic detriment of massively reduced tenant specific services is avoided. Longer term government funding improves the quality of services. A cessation after December would be counter-productive and inefficient.

Some 100,000 instances of detailed and expert advices were delivered by way of telephone and face to face services to 80,000 tenants in Qld in 2011/12. This included 24,000 hours of advocacy for tenants and 100,000 hours of advice. In addition a range of community education and training sessions have been held to disseminate information on the right and responsibilities of tenants.

Since July 2013, the TUQ, using the abovementioned Commonwealth funding, has both administered this programme to 15 independent agencies located throughout Queensland and also delivered expert specialist legal assistance and support services to tenants in 8 other locations. This programme is known as the Tenancy Advice Network of Qld (TANQ). It has long been within the scope of the Commonwealth to ensure access to legal services. Since the early 1980s the joint Commonwealth State Community Legal Services Program (CLSP) has increasingly enabled free community based legal services to a wide demographic.

The TUQ's CLSP funded work provides legal casework services in complex matters and ensures all training and other products are legally correct.

### **Recognition of Human Services Not For Profit Organisations in National Commission of Audit**

The Commission of Audit is urged to take account of the particular circumstances surrounding the social services sector and recognise their value to the national accounts both in relation to economic contribution to the GDP and also the economic and social detriment to vulnerable Australians of increased contestability for government contracts. Government funded services can achieve high quality in a consistent and stable service oriented environment. Increasing contestability may in fact divert funding or scarce resources such as donations etc from direct service delivery activities to compliance and administrative activities.

In relation to the particular situation for people who rent their homes in Queensland, the basis for government doing for people what they cannot do is readily identifiable in the process of increasing housing safety and security for renters. Increased housing security leads to psychological well being for family functioning and health as well as economic and education participation. Insecurity leads to excessive mobility and unnecessary costs, instability, less safety and privacy and decreases social connectedness and belonging.

Provision of local tenancy advice, support and advocacy is part of a framework which improves the rental sector, in particular the private rental sector, as a viable system of housing people.

**In this context it is imperative that the Commonwealth continues its resourcing role to the Tenants' Union of Queensland for the Tenancy Advice Network of Queensland and make further allocations for this and subsequent financial years at \$5m per annum.**