

# Central Tablelands Housing Association

*“Winner 2005 National Award for Excellence”*



Risk Management Seminar  
Launceston Tasmania  
29 June 2006

# Introduction

---

- ❑ CTHA commenced operation 1 July 1997 as a generalist housing provider
- ❑ Managed by a skill based board focused on the big picture with management delegated to the Executive Officer
- ❑ Covers large geographical area in western NSW with 3 branch offices & administration
- ❑ Achieved growth to date from 90 to 460 properties with more than 100 yet to transfer under the largest tenanted transfer in the State
- ❑ 3 year accredited and 1A registered

# Tenant Profile

---

## □ Household Types

- 38.56 % Single persons
- 41.70 % Sole parents + children
- 4.40 % Couples no children
- 10.31 % Couples with children
- 5.03 % Other types

## □ Tenants/Household Members with Disabilities 146

- Intellectual 17%
- Psychiatric 23%
- Sensory 12%
- Physical 40%
- Multiple 8%

# Tenant Profile

---

## Supported Tenancies

- ▣ 9 % of the current tenancies are on formal support agreements with a range of support agencies
- ▣ 9.5% of households are Indigenous but there are no NESB households.

# Tenancy & Support Management

---

- Tenancy and support services are separated
  - Ensures roles of each party are defined
  - Provides clarity to tenants
  - Suitably qualified persons are providing the services required in tenancy and support
  - Enables a partnership approach from services to creating sustainable tenancies and provide clients with living skills
  - Creates better outcomes for tenants and CTHA

# Rent Structure & Tenant Mix

---

- ❑ Community housing rent policy applied to all tenancies
- ❑ Analysis regularly undertaken to ensure tenant mix covers all target groups
- ❑ Close monitoring of performance against benchmarks
- ❑ Reconfiguration of housing stock if particular groups identified as priority
- ❑ Under occupancy households encouraged to relocate for management reasons with their relocation costs met by the organisation

# Risks – What to look out for....

---

- ❑ Tenant mix
- ❑ Over/Under occupancy
- ❑ Excessive rental arrears
- ❑ Long vacancy periods
- ❑ Poor quality of work by contractors
- ❑ Overcharging by contractors
- ❑ Changes in staffing
- ❑ Failure to meet legal requirements
- ❑ Untrained staff
- ❑ Failure to consult with tenants and applicants
- ❑ Non compliance with confidentiality and privacy
- ❑ Failure to meet requirements for complaints & appeals

# Risks – What to look out for....

---

- ❑ Clear understanding of funding agreement and expectations of the funding body
- ❑ Ensure all agreements are in writing, fully understood and signed by both parties
- ❑ Reputation – ensure all decisions are sound, fully researched, achievable and any identified risks are managed
- ❑ Ensure your Board is cohesive and is skilled to manage the business. Regular self assessment of the boards skills and performance is critical

# CTHA – Risk Management Approach

---

## Develop a Risk Management Framework

1. Involvement of all parties
2. Risk Management Criteria
3. Risk Identification
4. Risk Analysis
5. Risk Evaluation
6. Risk Treatment
7. Monitoring & Review

# CTHA – Risk Management Approach

---

## □ Risk Identification

- Used the community housing standards
- Staff participation
- Appropriate consultation
- Structured process developed

# CTHA – Risk Management Approach

---

## □ Risk Analysis

Each identified risk is reported to the board

The Board analysis the risk of likelihood, and consequences of risks

A risk analysis Matrix assists in the evaluation of risks

	Low Consequence	Medium Consequence	High Consequence
High Likelihood	Medium	High	High
Medium Likelihood	Low	Medium	High
Low Likelihood	Low	Medium	Medium

# CTHA – Risk Management Approach

---

## □ Risk Evaluation

Appropriate categories of risk evaluation are applied

- High: immediate action and or senior management attention
- Medium: management responsibility must be specified
- Low: management by routine procedures

# CTHA – Risk Management Approach

---

## □ Risk Treatment

A risk action plan is developed for those risks assessed as high or moderate risk ratings and improvements necessary or unsatisfactory controls

The Risk plan includes the risk, risk rating, controls, status of the controls and responsibility

# CTHA – Risk Management Approach

---

## □ Monitoring & Review

The risk plan is reported to and monitored by the board on a bi monthly basis

The risk management program needs are conducted on a cyclical basis with the following being considered

- The introduction of any new risks
- Changes in the likelihood and/or consequences of existing risks
- Progress of risk action previously implemented

# How has Risk Management changed CTHA?

---

- ❑ Sound decisions can be made with pre determined risks identified and managed
- ❑ All stakeholders share the responsibility of risk identification and management-sharing the load
- ❑ Documented procedures ensures risk management is part of everyday business
- ❑ Staff and Directors are fully trained in risk assessment and management

# Stock Transfer – The Risks

---

## ▣ Assets

Condition of properties-  
current and future

Cost of upgrading

Managing the upgrades

Reimbursement of costs

Tenant expectations

▣ Ensuring expectations  
of all parties are the  
same

## ▣ Tenants

Not delivering what you  
promise and meeting  
their expectations

Not keeping them  
informed of progress

Not involving them in  
decision making  
related to their  
tenancy

# Stock Transfer – The Risks

---

## ▣ Financial

Not being fully aware of financial impact of transfers short and long term

Not receiving funds or increase in funding in a timely manner

## ▣ Human Resources

Awareness of impact on staff

Not being prepared for increased staffing

Not having appropriately skilled staff - to work through the processes with tenants – to manage the increased work load and new tasks