
18 Housing interpretative material

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The housing interpretative material is supporting material and includes explanations of why indicators have been chosen, and wherever possible, a link to the stated objectives of the service. It includes indicator definitions, technical details defining how the indicator is measured and guidance on how the indicator is to be interpreted, including caveats and the indicator’s completeness and comparability status.

Further information on the Report on Government Services including other reported service areas, the glossary and list of abbreviations is available at <https://www.pc.gov.au/research/ongoing/report-on-government-services>.

18.1 Key performance indicator results

Different delivery contexts, locations and types of clients can affect the equity, effectiveness and efficiency of social housing services.

The comparability of performance indicator results are shaded in indicator interpretation boxes, figures and data tables as follows:

- Data are comparable (subject to caveats) across jurisdictions and over time.
- Data are either not comparable (subject to caveats) within jurisdictions over time or are not comparable across jurisdictions or both.

The completeness of performance indicator results are shaded in indicator interpretation boxes, figures and data tables as follows:

- Data are complete (subject to caveats) for the current reporting period. All required data are available for all jurisdictions.
- Data are incomplete for the current reporting period. At least some data were not available.

Outputs

Outputs are the services delivered (while outcomes are the impact of these services on the status of an individual or group) (see section 1). Output information is also critical for equitable, efficient and effective management of government services.

Equity

Access — Priority access to those in greatest need

‘Priority access to those in greatest need’ is a proxy indicator of governments’ objective to provide services in an equitable manner (box 18.1).

Box 18.1 Priority access to those in greatest need

'Priority access to those in greatest need' is defined as the proportion of new housing allocations that were to households in greatest need.

Greatest need households are defined as households that at the time of allocation are homeless, in housing inappropriate to their needs, in housing that is adversely affecting their health or placing their life and safety at risk, or, have very high rental housing costs.

This is a partial proxy indicator as information is not provided about the proportion of households on the waiting list that are 'greatest need' households. Households that are in greatest need are more likely to have members with special needs, and there may be overlap between special needs and greatest need groups (AIHW 2018). A high or increasing proportion, particularly for short timeframes, may indicate a high degree of access for those households in greatest need.

Data for this measure are reported for public housing, SOMIH and community housing and are:

- not comparable across public housing, SOMIH and community housing and not comparable across jurisdictions or within some jurisdictions over time (see caveats in data tables for specific jurisdictions)
- incomplete for SOMIH and community housing for the current reporting period (complete for public housing). All required 2017-18 data are not available for Tasmania (SOMIH) and the NT (community housing and SOMIH).

Access — Special needs

Access of 'special needs' groups to social housing is an indicator of governments' objective to provide services in an equitable manner (box 18.2).

Box 18.2 **Special needs**

'Special needs' is defined as the proportion of new housing allocations that were to households with special needs.

Special needs households are defined as households that at the time of allocation have:

- for public housing and community housing — a household member with disability, a main tenant aged 24 years or under, a main tenant aged 75 years or over, and/or satisfy the Aboriginal and Torres Strait Islander household definition
- for SOMIH — a household member with disability, a principal tenant aged 24 years or under and/or a principal tenant aged 50 years or over.

The proportion of new tenancies with special needs is reported as a proxy for measuring all households with special needs. A high or increasing proportion indicates high or increasing access by special needs households.

Data for this measure are reported for public housing, SOMIH and community housing and are:

- not comparable across public housing, SOMIH and community housing and not comparable across jurisdictions or within some jurisdictions over time (see caveats in data tables for specific jurisdictions)
- incomplete for community housing for the current reporting period (complete for public housing and SOMIH). All required 2017-18 community housing data are not available for the NT.

Effectiveness

Access — Affordability

'Affordability' is an indicator of governments' objective to provide services that are affordable (box 18.3).

Box 18.3 **Affordability**

'Affordability' is defined as the financial capacity of low income households in social housing to meet rental costs. It is measured as the proportion of low income social housing households in rental stress, where:

- 'rental stress' is defined as spending more than 30 per cent of gross household income (excluding CRA) on rent
- low income households are defined as those in the bottom 40 per cent of equivalised gross household income (see section 18.2 for further detail). Low income households are more likely to be adversely affected by relatively high housing costs than households with higher disposable incomes (Yates and Gabriel 2006; Yates and Milligan 2007).

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Box 18.3 (continued)

Rental stress is mitigated through rental subsidies provided to eligible low income social housing households by State and Territory governments. For public housing and SOMIH, rents are generally set at estimated market rates and subsidised for eligible households so that rental costs do not exceed a set proportion of assessable household income (25 per cent in most states and territories) (tables 18A.47–49).

A low or decreasing proportion of social housing households spending more than 30 per cent of their income on rent implies that social housing is more affordable.

Data for this measure are reported for public housing, SOMIH and community housing and are:

- not comparable across public housing, SOMIH and community housing, but are comparable across jurisdictions
- incomplete for the current reporting period for SOMIH and community housing (complete for public housing). All required 30 June 2018 data are not available for the NT.

Wait times

‘Wait times’ is an indicator of government’s objective to provide services that are timely (box 18.4).

Box 18.4 **Wait times**

‘Wait times’ is defined as the proportion of households on social housing wait lists who received a housing allocation in the previous 12 months, by their time spent on the wait list.

A high or increasing percentage who spent less time on the wait list is desirable.

Data are not yet available for reporting against this indicator.

Appropriateness — Match of dwelling to household size

‘Match of dwelling to household size’ is an indicator of governments’ objective to provide services that are appropriate, meeting the needs of individual households (box 18.5).

Box 18.5 Match of dwelling to household size

'Match of dwelling to household size' is defined as the proportion of households that are overcrowded.

Overcrowding is defined and measured using the Canadian National Occupancy Standard (CNOS) with households deemed to be overcrowded if one or more additional bedrooms are required to meet the standard (see section 18.2 for CNOS definition). State and Territory housing authorities' bedroom entitlement policies may differ from the CNOS.

The CNOS requires knowledge of the age, sex and relationship status of all tenants within a household, as well as the number of bedrooms. Households for which complete information is not available are excluded from data for this measure.

Low or decreasing proportions of households in social housing living in overcrowded conditions is desirable.

Data for this measure are reported for public housing, SOMIH, community housing and ICH and are:

- not comparable across public housing, SOMIH, community housing and ICH, but are comparable (subject to caveats) across jurisdictions
- incomplete for the current reporting period for community housing (all required 30 June 2018 data were not available for the NT) and ICH (all required 30 June 2017 data were not available for NSW, Tasmania and the NT), but are complete for public housing and SOMIH (30 June 2018).

Appropriateness — Amenity/location

'Amenity/location' is an indicator of governments' objective to provide services that are appropriate, meeting the needs of individual households (box 18.6).

Box 18.6 Amenity/location

'Amenity/location' is defined as the proportion of those households that rate particular aspects of amenity and location as important to their needs, who are in dwellings that meet those needs.

'Amenity' aspects include size of dwelling, modifications for special needs, ease of access and entry, car parking, yard space and fencing, privacy of home, safety/security of home and safety/security of neighbourhood. 'Location' aspects include proximity to facilities and services such as: shops and banking, public transport, parks and recreational facilities, emergency services, medical services and hospitals, child care facilities, education/training facilities, employment/place of work, community and support services, family and friends.

A high or increased proportion of households with amenity and location needs met is desirable.

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Box 18.6 (continued)

Data for this measure are reported for public housing, SOMIH and community housing (ICH data are not available) and are:

- not comparable across public housing, SOMIH and community housing due to the different demographic profiles of Aboriginal and Torres Strait Islander tenants and the method of data collection, but comparable (subject to caveats) across jurisdictions and over time from 2014
- incomplete for the current reporting period for community housing and SOMIH (all required 2018 data were not available for the NT), but are complete for public housing.

Quality — Dwelling condition

‘Dwelling condition’ is a proxy indicator of governments’ objective to provide services that are high quality (box 18.7).

Box 18.7 **Dwelling condition**

‘Dwelling condition’ is defined as the proportion of households living in dwellings that meet agreed minimum acceptable standards. A dwelling is assessed as meeting minimum acceptable standards if it has at least four working facilities (for washing people, for washing clothes/bedding, for storing/preparing food, and for removing sewerage) and not more than two major structural problems.

This is a proxy indicator of quality as it measures the extent to which dwellings conform to agreed minimum standards. The survey collections ask respondents (AIHW 2019):

- which of a list of facilities is present in their dwelling and whether each is in working order
- which of a list of structural problems is present in their dwelling.

A high or increasing proportion of households living in dwellings that meet minimum acceptable standards suggests that services are high or increasing in quality.

Data for this indicator are reported for public housing, SOMIH, community housing and ICH and are:

- not comparable across public housing, SOMIH, community housing and ICH due to the different demographic profiles of Aboriginal and Torres Strait Islander tenants and the method of data collection, but are comparable (subject to caveats) across jurisdictions and over time
- incomplete for SOMIH and community housing for the current reporting period (all required 2018 data are not available for the NT), but are complete for public housing (all required 2018 data) and ICH (all required 2014-15 data).

Quality — Customer satisfaction

‘Customer satisfaction’ is an indicator of governments’ objective to provide services that are high quality (box 18.8).

Box 18.8 Customer satisfaction

‘Customer satisfaction’ is defined as the proportion of social housing survey respondents who indicated they were satisfied or very satisfied with the overall service provided by their housing provider.

A high or increasing level of customer satisfaction is desirable.

Data are reported for public housing, SOMIH and community housing (ICH data are not available) and are:

- comparable (subject to caveats) across public housing, SOMIH and community housing, and across jurisdictions for the current reporting period and over time from 2014
- incomplete for the current reporting period for SOMIH and community housing (all required 2018 data not available for the NT), but complete for public housing (all required 2018 data).

Perceptions of safety

‘Perceptions of safety’ is an indicator of government’s objective to provide services that are safe (box 18.10).

Box 18.9 Perceptions of safety

‘Perceptions of safety’ is defined as the proportion of households rating their safety requirements as being met, measured separately for safety of home and safety outside of the home within the neighbourhood.

A high or increasing proportion is desirable.

Data are not yet available for reporting against this indicator.

Sustainability

‘Sustainability’ is an indicator of government’s objective to provide services that are sustainable (box 18.11).

Box 18.10 Sustainability

‘Sustainability’ is broadly defined as the extent to which current social housing needs are met with reference to the need for future generations to meet their own social housing needs. In its broadest sense, this could consider financial, social and environmental sustainability.

Further development of this indicator concept and potential measure(s) will be considered with reference to the policy environment.

Efficiency

Net recurrent cost per dwelling

‘Net recurrent cost per dwelling’ is an indicator of governments’ objective to provide services in an efficient manner (box 18.12).

Box 18.11 Net recurrent cost per dwelling

‘Net recurrent cost per dwelling’ is defined as the cost of providing assistance per dwelling and is measured as total recurrent expenditure divided by the total number of dwellings.

Data are reported for public housing, SOMIH, community housing and ICH. Net recurrent cost per dwelling for public housing and for SOMIH for 2017-18 is reported with user cost of capital both included and excluded. User cost of capital data are not available for SOMIH prior to 2017-18, nor for community housing or ICH. For ICH, total number of dwellings is the number of permanent dwellings.

An inconsistency between numerator and denominator with a deflationary effect on community housing cost per dwelling may result from transfer of management responsibility for some public housing and/or SOMIH stock to the community sector, which is underway in some jurisdictions and planned to occur progressively over time in most others. The denominator (number of community housing dwellings at 30 June) may include dwellings for which expenditure for only part of the reporting year is counted in the numerator. This inconsistency is not expected to apply for public housing and SOMIH as the denominator (the average of the number of dwellings for each month of the reporting year) largely accounts for transfer of dwellings to the community sector.

Care needs to be taken in interpreting the cost of delivering social housing. Data are not comparable across jurisdictions as jurisdictions vary in how completely costs are captured and how consistently data are collected, as well as the degree to which costs can be separated between different models of social housing and homelessness services. There is also potential for double counting — for example, some of the user cost of capital may also be included in operating costs.

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Box 18.11 (continued)

The user cost of capital is the cost of the funds tied up in the capital used to provide social housing. User cost of capital is the main driver of cost per dwelling due to the level of capital expenditure on housing. Data should be interpreted with caution due to variation across jurisdictions in the treatment of assets (table 18A.51) and service delivery models.

Holding other factors — such as dwelling condition and tenant support services — equal, a low or decreasing cost per dwelling is desirable.

Data reported for this indicator are:

- not comparable across public housing, SOMIH, community housing and ICH and not comparable across jurisdictions, but for some jurisdictions are comparable over time (subject to caveats)
- incomplete for community housing (2016-17 NT data) and ICH (2016-17 SA and NT data) for the current reporting period, but are complete for public housing and SOMIH (all required 2017-18 data are available).

Outcomes

Outcomes are the impact of services on the status of an individual or group (see section 1).

Social and economic participation

‘Social and economic participation’ is an indicator of government’s objective to provide social housing assistance that supports wellbeing and contributes to social and economic participation (box 18.13).

Box 18.12 **Social and economic participation**

‘Social and economic participation’ is defined as the proportion of social housing tenants engaged in social and/or work-related activities.

Living in stable, safe and secure housing is associated with greater capacity to participate in social and economic activity and improved household wellbeing.

A high or increasing proportion of social housing tenants engaged in social and/or work related activities is desirable.

Data are not yet available for reporting against this indicator.

18.2 Definitions of key terms

Aboriginal and Torres Strait Islander household A household with one or more members (including children) who identify as Aboriginal and/or Torres Strait Islander.

Administration costs	<p>Those costs associated with the administration offices of the property manager and tenancy manager. They include the general accounting and personnel function costs relating to:</p> <ul style="list-style-type: none"> • employee expenses (for example, superannuation, compensation, accrued leave and training) • supplies and services expenses (including stationery, postage, telephone, office equipment, information systems and vehicle expenses) • rent • grants and subsidies (excluding rental subsidies) • expenditure incurred by other government agencies on behalf of the public housing agency • contracted public housing management services.
Assessable income	<p>The income used to assess eligibility for housing assistance and to calculate the rental housing rebate that allows a household to pay a rent lower than the market rent. The components of income that are counted as assessable may vary across jurisdictions.</p>
Canadian National Occupancy Standard (CNOS)	<p>A standardised measure of housing utilisation and overcrowding. This measure assesses a household's bedroom requirements by specifying that:</p> <ul style="list-style-type: none"> • there should be no more than two people per bedroom • a household of one unattached individual may reasonably occupy a bed-sit (i.e. have no bedroom) • couples and parents should have a separate bedroom • children less than five years of age, of different sexes, may reasonably share a bedroom • children five years of age or over, of the opposite sex, should not share a bedroom • children less than 18 years of age and of the same sex may reasonably share a bedroom; and • single household members aged 18 years or over should have a separate bedroom.
Comparability	<p>Data are considered comparable if (subject to caveats) they can be used to inform an assessment of comparative performance. Typically, data are considered comparable when they are collected in the same way and in accordance with the same definitions. For comparable indicators or measures, significant differences in reported results allow an assessment of differences in performance, rather than being the result of anomalies in the data.</p>
Completeness	<p>Data are considered complete if all required data are available for all jurisdictions that provide the service.</p>
Confidence intervals	<p>Survey data, for example data from the NSHS, are subject to sampling error because they are based on samples of the total population. Where survey data are shown in charts in this report, error bars are included, showing 95 per cent confidence intervals. There is a 95 per cent chance that the true value of the data item lies within the interval shown by the error bars.</p>
Depreciation costs	<p>Depreciation calculated on a straight-line basis at a rate that realistically represents the useful life of the asset (as per the Australian Accounting Standards 13-17).</p>
Disability	<p>Households with a member with disability are defined as households in which at least one member always or sometimes needs assistance with self-care activities, body movement activities or communication, and the reason for needing assistance is either 'long-term health condition lasting six months or more' or 'disability'.</p>
Dwelling	<p>A structure or a discrete space within a structure intended for people to live in or where a person or group of people live. Thus, a structure that people actually live in is a dwelling regardless of its intended purpose, but a vacant structure is a dwelling only if intended for human residence. A dwelling may</p>

	include one or more rooms that is/are used as an office or workshop, provided the dwelling is in residential use. Dwelling types include:
	<ul style="list-style-type: none"> • a separate house • a semi-detached, row or terrace house, townhouse, etc. • a flat, unit or apartment; caravan, tent, cabin etc. either in or not in a caravan park; houseboat in marina, etc. • an improvised home, tent, camper • a house or flat attached to a shop, office, etc. • a boarding/rooming house unit.
Equivalisation	See low income households entry.
Greatest need	<p>Applies to low-income households if, at the time of allocation, household members were subject to one or more of the following circumstances:</p> <ul style="list-style-type: none"> • they were homeless • their life or safety was at risk in their accommodation • their health condition was aggravated by their housing • their housing was inappropriate to their needs • they had very high rental housing costs. <p>A low-income household for the greatest need definition is a household that satisfies an eligibility test to receive housing assistance.</p>
Household	<p>The grouping of people living in a dwelling. Household composition is based on couple and parent-child relationships. A <i>single-family</i> household contains a main tenant only, or a main tenant residing with a partner and/or the main tenant's children. <i>Group households</i> consist of 2 or more tenants aged 16 or over who are not in a couple or parent-child relationship. <i>Mixed households</i> are households not described by the other two types — for example, multiple single-family households.</p> <p>For the purpose of the community housing collection, the number of tenancy agreements is the proxy for counting the number of households. A tenancy agreement is defined as a formal written agreement between a household (a person or group of people) and a housing provider, specifying details of a tenancy for a particular dwelling.</p>
Low income households	<p>For the purpose of social housing affordability analyses, 'low income households' are defined as those in the bottom 40 per cent of equivalised gross household income. (Different definitions of low income households are used for different purposes by the ABS and others.)</p> <p><u>Equivalisation</u></p> <p>Increased household size is associated with increased consumption needs, but also with economies of scale. An equivalence scale is used to adjust household incomes to take account of the economies that flow from sharing resources, enabling more meaningful comparisons across different types of households.</p> <p>The ABS provides low income household equivalised gross income cutoffs derived from the biennial Survey of Income and Housing data to the AIHW. The AIHW determines the equivalised gross household income for social housing households for affordability analyses.</p> <p>Note that equivalised gross household income is not used to determine eligibility for social housing or rental subsidies (see 'assessable income').</p>
Maintenance costs	Costs incurred to maintain the value of the asset or to restore an asset to its original condition. The definition includes day-to-day maintenance reflecting general wear and tear, cyclical maintenance, performed as part of a planned maintenance program and other maintenance, such as repairs as a result of vandalism.

Market rent	Rent that would be collected if the public rental housing properties were available in the private market.
Models of community housing	<p>Community housing models vary across jurisdictions in scale, organisational structure and financing arrangements, and the extent to which community organisations or government have management responsibility and ownership of the housing stock. Table 18A.50 lists the in-scope community housing programs in each jurisdiction.</p> <p>Some models of community housing are:</p> <ul style="list-style-type: none"> • <i>housing cooperatives</i>, providing tenancy management and maintenance of housing that is owned by government, a central finance company or an individual cooperative • <i>local government housing associations</i>, providing low cost housing within a particular municipality, are closely involved in policy, planning, funding and/or monitoring roles, and can directly manage the housing stock • <i>regional or local housing associations</i>, providing property and tenancy management services, and support services to tenants • <i>specialist providers</i> are organisations with a specific purpose or function, such as tenancy management, housing development, or for specific target groups (including people with disability) • <i>broad service delivery</i> are organisations that provide housing and other welfare services, such as aged care and disability services • <i>vertically integrated providers of affordable housing</i> are involved in all stages of providing affordable housing, from construction to property and tenancy management • <i>community ownership and/or management</i>, where housing is owned and/or managed by not-for-profit or community housing associations • <i>joint ventures and housing partnerships</i>, where church and welfare entities, local government, private sector and other organisations provide resources in cooperation with State and Territory governments; or where groups of community housing providers form partnerships to maximise growth opportunities, share resources and/or manage risk • <i>equity share rental housing</i>, where housing cooperatives wholly own the housing stock and lease it to tenants (who are shareholders in the cooperative and, therefore, have the rights and responsibilities of cooperative management) (Australian, State and Territory governments).
New household	Households that commence receiving assistance during the relevant reporting period (financial year). A new household is recorded if the composition of the household changes i.e. if someone enters or leaves the household.
Occupancy rate	The number of dwellings occupied as a proportion of total dwellings.
Occupied dwelling	Dwellings occupied by tenants who have a tenancy agreement with the relevant housing authority.
Overcrowding	A situation in a dwelling when one or more additional bedrooms are required to meet the Canadian National Occupancy Standard.
Priority access to those in greatest need	Allocation processes to ensure those in greatest need have first access to housing. This is measured as the proportion of new allocations to those in greatest need.
Principal tenant	The person whose name appears on the tenancy agreement. Where this is not clear, it should be the person who is responsible for rental payments.
Rebated household	A household that receives housing assistance and pays less than the market rent value for the dwelling.
Remoteness areas	An aggregation of non-continuous geographical areas that share common characteristics of remoteness. The delimitation criteria for remoteness areas (RAs) are based on the Accessibility/Remoteness Index for Australia (ARIA+), which measures the remoteness of a point based on the road distance to the

	<p>nearest urban centre. Within the Australian Statistical Geography Standard, each RA is created from a grouping of Statistical Areas Level 1 having a particular degree of remoteness.</p> <p>Remoteness areas comprise the following six categories:</p> <ul style="list-style-type: none"> • major cities of Australia • inner regional Australia • outer regional Australia • remote Australia • very remote Australia • migratory — offshore — shipping.
Rent charged	<p>The amount in dollars that households are charged based on the rents they are expected to pay. The rents charged to tenants may or may not have been received.</p>
Tenancy (rental) unit	<p>A tenancy (rental) unit is the unit of accommodation for which a rental agreement can be made. With the exception of community housing, dwellings in the majority of cases have only one tenancy (rental) unit; for community housing and a small number of other cases (for example, boarding houses, special group homes, semi-institutional dwellings), there are commonly more than one tenancy (rental) unit.</p>
Tenantable dwelling	<p>A dwelling where maintenance has been completed, whether occupied or unoccupied at 30 June. All occupied dwellings are tenantable.</p>
Total gross household income	<p>The value of gross weekly income from all sources (before deductions for income tax, superannuation etc.) for all household members, expressed as dollars per week. The main components of gross income are current usual wages and salary; income derived from self-employment, government pensions, benefits and allowances; and other income comprising investments and other regular income. CRA payments are not included as income.</p>
Transfer household	<p>A household, either rebated or market renting, that relocates (transfers) from one dwelling to another within the same social housing program. In the community housing data collection, a transfer household is a household that transfers within a single community housing organisation's portfolio (not across the sector). This leads to under-reporting of transfers.</p>
Turnaround time	<p>The average time taken in days for vacant dwellings, which are available for letting, to be occupied.</p>
Underutilisation	<p>A situation where a dwelling contains two or more bedrooms surplus to the needs of the household occupying it, according to the Canadian National Occupancy Standard.</p>
Untenantable dwelling	<p>A dwelling not currently occupied by a tenant, where maintenance has been either deferred or not completed at 30 June.</p>