

Western Australian Auditor General's Report



Managing Disruptive Behaviour in Public Housing



Report 12: December 2018-19

Office of the Auditor General Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

Mail to:

Perth BC, PO Box 8489
PERTH WA 6849

T: 08 6557 7500

E: info@audit.wa.gov.au

W: www.audit.wa.gov.au

National Relay Service TTY: 13 36 77
(to assist people with hearing and voice impairment)

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WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

**Managing Disruptive Behaviour in Public
Housing**

Report 12
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**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

MANAGING DISRUPTIVE BEHAVIOUR IN PUBLIC HOUSING

This report has been prepared for Parliament under the provisions of section 25 of the *Auditor General Act 2006*.

Performance audits are an integral part of my Office's overall program of audit and assurance for Parliament. They seek to provide Parliament and the people of WA with assessments of the effectiveness and efficiency of public sector programs and activities, and identify opportunities for improved performance.

The audit objective was to assess how effectively the Department of Communities manages tenants that are disruptive or conduct illegal activities in public housing.

I wish to acknowledge the cooperation of the staff at the Department of Communities for this report.

A handwritten signature in black ink, appearing to read "Caroline Spencer".

CAROLINE SPENCER
AUDITOR GENERAL
20 December 2018

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Auditor General's overview

This report presents the findings from my performance audit of the Department of Communities' (Department) management of disruptive behaviour and illegal activities in public housing.

Access to affordable and secure public housing reduces homelessness, and can lead to improved employment and health outcomes for people who would otherwise not be able to afford a home. The Department manages over 36,500 homes for more than 64,000 people on low incomes. While the majority of public housing tenants engage positively with their community and local neighbourhood, some do not.

Each year the Department receives complaints of anti-social behaviour relating to almost 20% of the public housing estate. Addressing these complaints requires the Department to balance the negative consequences of potential eviction and homelessness with the community expectation of peaceful and safe neighbourhoods.

I am pleased to report that the Department generally manages these disruptive tenancies well. They respond to most complaints in a timely manner and take a consistent approach. They give due consideration to the circumstances and evidence from tenants and complainants using a transparent process.

However, the Department still has work to do to better support tenants to avoid disruptive behaviours from occurring in the first place. Better information sharing and engagement both within the Department and with external agencies will help the Department as it works to address this finding.

I am encouraged by the Department's active engagement with the audit process and its acceptance of the findings and recommendations of my report.



Executive summary

Introduction

The objective of this audit was to assess how effectively the Department of Communities manages tenants that are disruptive or conduct illegal activities in public housing.

We specifically focused on the Department's Disruptive Behaviour Management Strategy, policies and procedures, and its management of complaints about tenants.

Background

The Department of Communities – Housing (the Department), through the Housing Authority, oversees the State's public housing system. It is the largest property manager in Western Australia, managing over 36,500 owned or leased properties for more than 64,000 Western Australians on low incomes. Eighty percent of the properties are located in the Perth metropolitan area.

As for private landlords, the Department has the same responsibilities under the *Residential Tenancies Act 1987* (the Act). It needs to ensure that tenants meet their obligations outlined in tenancy agreements, to pay rent and look after the home, and can evict when necessary.

The Department has to balance its role as landlord with its responsibility to support tenants to sustain their tenancies and avoid homelessness. To achieve this, the Department works with tenants, government and community organisations through its offices in 11 regions across the State (Appendix 1). Stable accommodation provides tenants with a number of social and economic benefits including better access to support networks and improved employment opportunities.

A number of health and social issues contribute to disruptive tenant behaviours and adverse tenancy outcomes. These include poor mental health, family violence, drug and alcohol abuse, and long term inter-generational dysfunction.¹

Between July 2016 and April 2018, the Department received 21,917 complaints about its tenants. The complaints covered matters including yelling, loud music, property damage, threatening behaviour, and physical violence. Complaints can be made by neighbours, visitors or people working in the area.

All jurisdictions in Australia have some form of legislation or policy to encourage public housing tenants to be good tenants and to minimise disruptive behaviours. The Department's *Disruptive Behaviour Management Strategy* (Strategy) was prepared in 2009. It outlined a multi-faceted approach to manage disruptive behaviour in response to community concerns about ongoing disruptive behaviour by a small proportion of public housing tenants. It proposed both sanctions for poor behaviour on one hand, and early intervention and support to help tenants and meet community expectations on the other. The Strategy consisted of 3 main components, which included:

- legal responses and sanctions – changes to the Act to allow the Department to impose broader and stronger tenancy sanctions in response to disruptive behaviour complaints
- tenancy management and compliance – revised operational policies and procedures and improved training, data collection and reporting

¹ Western Australia Equal Opportunity Commission (June 2013). *A Better Way. A Report into the Department of Housing's Disruptive Behaviour Strategy and More Effective Methods for Dealing with Tenants.*

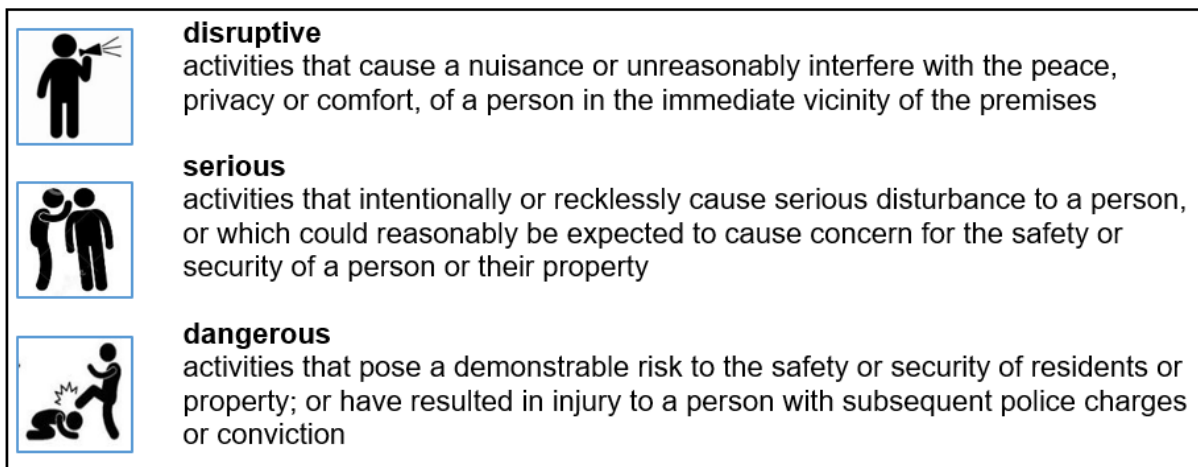
- education, support and awareness – education campaign, tenant mentoring and support services, and mediation (Table 1).

In response to the Strategy, the Department developed 2 key policy documents to improve how it manages disruptive behaviour and illegal activity:

- *Disruptive Behaviour Management Policy (DBM Policy) 2011* – also known as the 3 Strikes Policy, which outlines the Department’s response to disruptive behaviour. The DBM Policy allows the Department to manage complaints about public housing tenants that are disruptive. It uses strike notices as sanctions and can pursue legal action.
- *Illegal Use of Premises Policy 2014* – common illegal activities include possession of prohibited drugs, drug paraphernalia and stolen property. The Western Australia Police Force (Police) investigate illegal activities and the Department decides whether to take action in relation to the tenancy. For lesser illegal incidents tenants receive a formal warning instead of a strike.

It also pays around \$6.5 million each year to contractors who deliver support and education services to tenants throughout the State. The Support and Tenant Education Program (STEP) services include community mental health, legal, Aboriginal medical, disability, and family violence support. The Department can also refer tenants to relevant government agencies for assistance, particularly where there are mental health and child protection concerns.

The Department becomes aware of disruptive behaviour and illegal activities through the complaints it receives and categorises these incidents by severity (Figure 1).



Source: OAG using Department information

Figure 1: Severity of disruptive behaviour

Complaints are received by the Department’s Disruptive Behaviour Reporting Line and entered into the ‘Habitat’ system. The system stores tenancy and complaint information, including details from property inspections. Staff in the Disruptive Behaviour Management Unit triage all complaints and investigate those that relate to disruptive behaviour.

When complaints are ‘corroborated’ by evidence, strikes are issued based on the outcome of investigations and the severity of disruptive behaviour. If 3 strikes are issued within a 12-month period, the Department can initiate an eviction. However, the Department can issue a final strike and commence eviction proceedings immediately if the complaint is about a serious illegal activity or dangerous behaviour. Strikes cannot be appealed.

To terminate a tenancy and evict a tenant, the Department must first apply to the Magistrates Court of Western Australia (Court) for an order to terminate the tenancy. Under the Act, the Court can terminate a tenancy for:

- disruptive behaviour (Section 75A)
- illegal activity (Section 73)
- without a specific reason (Section 64). Such as, where witnesses are too scared to attend Court or the risk is too great to wait for the outcome of criminal matters.

Machinery of government changes in July 2017 saw the creation of the Department of Communities by the amalgamation of the Department of Housing, Child Protection and Family Support, the Disability Services Commission, and part of the Department of Local Government and Communities.

Audit conclusion

Most of the work outlined in the Department's 2009 *Disruptive Behaviour Management Strategy* (Strategy) has been progressed. This includes development of policies and procedures to guide how complaints are managed, more available sanctions, and delivery of a tenant support and education program. However, a more holistic approach to tenancy management is needed if the Department is to reduce disruptive behaviour incidents from occurring in the first place. The Department recognises this need but aspects of the Strategy that focussed on early intervention through tenant engagement and support are still to be progressed.

The large number of disruptive behaviour and illegal activity complaints received by the Department each year are adequately managed. However, staff in regional areas face additional challenges which leave them with less time to support tenants to address the issues that cause disruptive behaviour.

More comprehensive and consistent data collection and analysis of outcomes would help the Department to identify ways to improve its approach to managing disruptive behaviour and how it directs its resources.

Key findings

- The Disruptive Behaviour Management Strategy includes 11 approaches to managing disruptive tenant behaviour, all but one of which has been progressed (Table 1). The Strategy and associated policies and procedures enable the Department to resolve complaints about disruptive behaviour and illegal activities though all require update to better reflect the Department's focus on sustaining tenancies.
- The Department generally manages complaints well, following documented policies and procedures that broadly align with its Strategy. We found these also aligned with established complaint handling guidelines.² Each complaint entered in Habitat is assessed, tenants are given an opportunity to provide evidence, and multiple staff are involved in making decisions to reduce bias. This approach gives confidence that incidents are investigated and resolved according to standard policies and procedures, and decreases the risk that community concerns will be missed. It may however, be disproportionate for routine, simple complaints.
- Overall, the Department meets its target of resolving 90% of complaints within 30 days, with 92% of the over 11,500 complaints per year completed within this timeframe. Six of the 11 offices met this target but not all outside the metropolitan area did. Staff we

² Ombudsman Western Australia (2017). *Guidelines on Complaint Handling*.

interviewed in these offices said they had less time to support tenants through site visits and referrals.

- Low participation in disruptive behaviour management training, which ranged from 60% to as low as 13%, is another factor likely to be affecting efficient management of complaints. There are opportunities for the Department to increase training attendance to ensure staff are trained in all aspects of disruptive behaviour management. Streamlined complaints assessment or using central coordinators to first assess all complaints, and providing guidance to the community about who to contact for different complaint types would allow the Department to better use its limited resources.
- Opportunities to achieve better outcomes for more vulnerable tenants and the community are missed. Early intervention is limited to giving tenants a short 'Help is Available' brochure that lists tenant support services at the start of each tenancy. Tenant support is typically not offered until disruptive behaviour incidents are reported. We found strikes were issued against tenants with complex mental health illness, family violence or inter-generational dysfunction. The Department does not direct resources towards early intervention for these tenants, instead following standard procedures to manage all disruptive behaviour.
- Information sharing within and between agencies is also inadequate. Staff are not routinely informed of the outcomes of referrals to mental health and child protection service providers for tenant support. This limits the Department's understanding and ability to effectively identify and help vulnerable tenants to succeed in public housing.
- Out of date Memorandums of Understanding with Police, the Mental Health Commission and the Child Protection and Family Support unit of the Department do not reflect current information sharing arrangements and agency relationships. For example, the Mental Health Commission is no longer able to assist with mental health referrals and support, yet no alternative arrangements are in place.
- The Department could better communicate its dual, and sometimes opposing, roles of landlord and supporting tenants to sustain their housing. Many of the measures outlined in the Strategy have been progressed, but a 'Responsible Tenancy' education and awareness campaign was not (Table 1). The Strategy and key policy and procedure documents have also not been updated to reflect the intent and direction of the Department since machinery of government changes in July 2017. It is still important to target positive messages about appropriate behaviour and raise awareness of the responsibilities of tenants, the Department and the community.
- The Department could improve its outcome measures and quality of data. Outcomes from the \$35 million of funding paid to STEP service providers since 2013 have not been independently assessed by the Department. It relies on anecdotal feedback from the 7 service providers who deliver the program. In response to deficiencies with STEP, which did not focus enough on early intervention or culturally appropriate services, a new Thrive program will be introduced in 2019. This program aims to support tenants to achieve their own social and economic goals, but will need to be carefully managed to get measurable value from the \$50 million investment.
- The Department's reporting provides a limited view of the work it does to support tenants and reduce disruptive behaviour. It only reports the numbers of strikes, evictions, and complaints resolved in 30 days. These show that the number of strikes issued has declined from 2,102 in 2013-14 to 1,305 in 2017-18 and the number of evictions has varied from 15 to 53 during the same period. The number of referrals to support services and offers of alternative tenancy options after eviction could provide valuable insights into the Department's performance and help inform services.

- The quality of some complaint information and therefore reporting, is compromised by data that is not centrally stored or is missing. In addition, the Department does not always record in easily accessible format:
 - aggressive or disruptive behaviour directed at maintenance contractors that has not been lodged as a complaint
 - the number of referrals made to the Mental Health Commission or Child Protection and Family Support
 - information about tenant diversity, such as mental illness, disability or cultural and linguistic diversity
 - the outcomes of Court decisions.
- A 2016 internal review also found weaknesses in how complaint data across regions was recorded. The Department has addressed the recommendations of the review, but there is still more work to be done to fix the data gaps identified above. Better data recording in a central repository, including complaint types, referrals and Court actions and outcomes, would further help identify opportunities to minimise disruptive behaviour.

Recommendations

The Department should:

1. Improve its management of complaints to more efficiently target disruptive behaviour:

- a. update publications and website content to direct complaint types to the appropriate agency

Department response: Agreed

Implementation timeframe: by March 2019

- b. collect and centrally store comprehensive tenant information while balancing privacy requirements

Department response: Agreed

Implementation timeframe: by October 2019

- c. train staff in all aspects of disruptive behaviour management within 6 months of commencing

Department response: Agreed

Implementation timeframe: by December 2019

- d. streamline the process for resolution of minor complaints

Department response: Agreed

Implementation timeframe: by June 2019

- e. review the mental health referral process to ensure staff are able to direct tenants to appropriate service providers.

Department response: Agreed

Implementation timeframe: December 2019

2. Better reflect its dual roles to manage disruptive behaviour and support tenants:

- a. update relevant strategies, policies and procedures, with particular attention on earlier intervention and better support for tenants with complex needs. This may include a more holistic 'tenancy management strategy' and welfare assessment of prospective tenants

Department response: Agreed

Implementation timeframe: December 2019

- b. update information sharing arrangements with Police, the Mental Health Commission, and the Child Protection and Family Support unit of the Department, including mechanisms to ensure relevant feedback is provided

Department response: Agreed

Implementation timeframe: December 2019

- c. improve performance monitoring and reporting by measuring efforts to support tenants and ensure related data is recorded in Habitat

Department response: Agreed

Implementation timeframe: June 2020

- d. consider lessons learned from the outcomes of Court proceedings and decisions to inform and update procedures.

Department response: Agreed

Implementation timeframe: December 2019

Response from the Department of Communities

The Department of Communities accepts the key findings contained within the performance audit report on disruptive behaviour and illegal activities in public housing and, accordingly, has either commenced or scheduled implementation actions to address each recommendation. Timeframes proposed take into consideration other work and reviews currently underway, including the Social Housing Review, the design and implementation of Housing Options (the foundation for a Housing Needs Register) and business systems upgrades and optimisation, that will support, enable and/or complement the implementation of the recommendations in this report.

The nature of disruptive behaviour and its causes are complex. The Department acknowledges that there is a need to continually improve our investigation and management of complaints taking into consideration the complex circumstances of individual cases.

The Department is pleased to note that many of the findings relate to opportunities to enhance or better align procedures and improve the effectiveness of our efforts. We acknowledge that many of these suggestions are consistent with, and will enhance, our approach to embracing the objectives of the Machinery of Government changes.

In relation to the audit conclusions, the Department acknowledges that the Disruptive Behaviour Management Strategy requires review with a focus on earlier intervention, adequate tenancy support, appropriate information sharing and improved data collection and reporting.

The Department has commenced a Social Housing Review which aims to maximise social outcomes from the social housing system, recognising the Departments' mandate as the State's human services agency. The Disruptive Behaviour Management Strategy and associated policies and procedures will be considered through this review.

Within the new structure and the now broader Department of Communities, the development of a more holistic view of households (particularly those at high risk) is being explored to improve connection to appropriate supports and enable improved social and economic wellbeing.

The implementation of the Thrive program in July 2019 will improve the Department's ability to provide earlier support to clients to ensure increased capacity to manage and sustain tenancies. The referral framework for the Thrive program is currently being developed and the potential to undertake a risk assessment of prospective tenants to identify those who may need early support is being considered.

Over the last few years the Department has improved the way complaint data is recorded and used but acknowledges that further improvements are required to fix data gaps and improve data integrity to enable the identification of opportunities to minimise disruptive behaviour and provide timely, appropriate early intervention and support to those who need it.

Since 2009 the Department has contributed significant investment, time and resources to progress the work outlined in the Disruptive Behaviour Management Strategy, so it is pleasing that this is acknowledged throughout the report.

The Department is committed to implementing actions as a result of the audit findings and recommendations. The Department is confident that work already commenced, and the improvements that will be made as a result of this report will advance the way the Department manages disruptive behaviour and will improve the way tenants are supported

to sustain their tenancies, resulting in better outcomes for tenants, their families and the community.

Audit focus and scope

The audit objective was to assess how effectively the Department of Communities manages tenants that are disruptive or conduct illegal activities in public housing. The specific lines of inquiry were:

1. Does the Department have effective mechanisms in place to manage tenants in accordance with its Disruptive Behaviour Management Strategy?
2. Are complaints effectively managed to deliver consistent, timely and fair outcomes?

In undertaking the audit, we:

- reviewed strategies, policies, procedures and other documents from the Department
- analysed the Department's complaint management data in Habitat from July 2016 to end April 2018, including an in-depth review of 30 complaint investigations
- interviewed Department staff, including those managing complaint investigations, from 3 metropolitan and 3 non-metropolitan offices, and in the Child Protection and Family Support (CPFS) division
- attended 5 natural justice tenant interviews and 5 staff case conference meetings to observe complaint investigation and resolution processes
- conducted a site visit to the Withers Urban Renewal Project in Bunbury
- assessed 15 phone complaints using Department procedures and the principles of effective complaints handling for public authorities from the Ombudsman Western Australia's *Guidelines on Complaint Handling*
- interviewed, attended meetings with, and reviewed submissions from stakeholders and community members, such as Tenancy WA, Tenancy Network WA, Shelter WA, Aboriginal Legal Service of WA and the Equal Opportunity Commission
- interviewed staff from other key agencies with a role in disruptive behaviour and illegal activity management in public housing, including Police and the Mental Health Commission
- reviewed Police Information Services Unit Computer Aided Dispatch (CAD) Incident Reports for public housing properties
- reviewed published national policies on behaviour management in public housing.

The audit did not include the 5,300 Government Regional Officers' Housing (GROH) properties or 2,662 community housing properties in 114 remote Aboriginal communities. We did not look in detail at specific groups of tenants, such as those with Aboriginal and Torres Strait Islander heritage, seniors, or those with a disability. We also did not examine housing allocations or property transfers in detail.

This was a narrow scope performance audit, conducted under section 18 of the *Auditor General Act 2006* and in accordance with Australian Assurance Standard ASAE 3500 Performance Engagements. We complied with the independence and other relevant ethical requirements related to assurance engagements. Performance audits primarily focus on the effective management of agency and local government programs and activities. The approximate cost of undertaking the audit and reporting is \$318,000.

Audit findings

The Strategy is well progressed

The Department has made good progress in adopting its Strategy to manage disruptive tenant behaviour, with all but 1 of the proposed measures progressed (Table 1). Amendments to the Act, the DBM Policy and *Illegal Use of Premises Policy*, and a specialist team to manage disruptive tenants have been key achievements

Measure		Approach	Progress
Legal Responses and Sanctions	Stronger, more consistent legal tenancy sanctions under the Act	Amendments to the Act in 2013	
	Probationary tenancies for clients with poor tenancy history and a more rigorous assessment of former tenants	6-month probationary tenancies	
	Sanctions for disruptive behaviour by visitors to public housing	DBM Policy	
Tenancy Management and Compliance	Policy and procedures with prescribed responses to different types of disruptive behaviour	DBM Policy and procedures Illegal Use of Premises Policy and procedures	
	Specialist officers to manage disruptive tenancies	DBM Unit	
	Improved operational and investigative training for frontline staff	Existing training modules Job Readiness Training	
	Improved data collection and reporting for better intelligence on disruptive behaviour	Habitat complaints management system Monitoring adherence to procedures and effectiveness	
Education, Support and Awareness	Education campaign to raise awareness of tenant, Department and community obligations	Fact sheets on complaints, policies and initiatives Positive messages about appropriate tenant behaviour	
	Reward scheme for good tenants, with incentives to meet tenancy obligations	No existing reward scheme	
	Tenant mentoring for clients without adequate life skills	STEP Referrals to agencies	
	Mediation to prevent minor disputes escalating to serious disruptive behaviour	Tenant engagement during complaint investigation STEP	

Source: OAG analysis of Department information

Table 1: Progress against the Strategy

However, key documents have not been updated to reflect the Department's intent and direction to achieve better outcomes for tenants and the wider community, since the 2017 machinery of government changes. For example, the Strategy has not been reviewed or updated since it was developed in 2009, and the DBM Policy and *Illegal Use of Premises Policy* have received only minor updates since they were produced in 2011 and 2014 respectively. It is essential that these documents are up to date to best guide the Department's complaint management and tenant support.

The Department adequately manages over 11,500 complaints each year to investigate community concerns

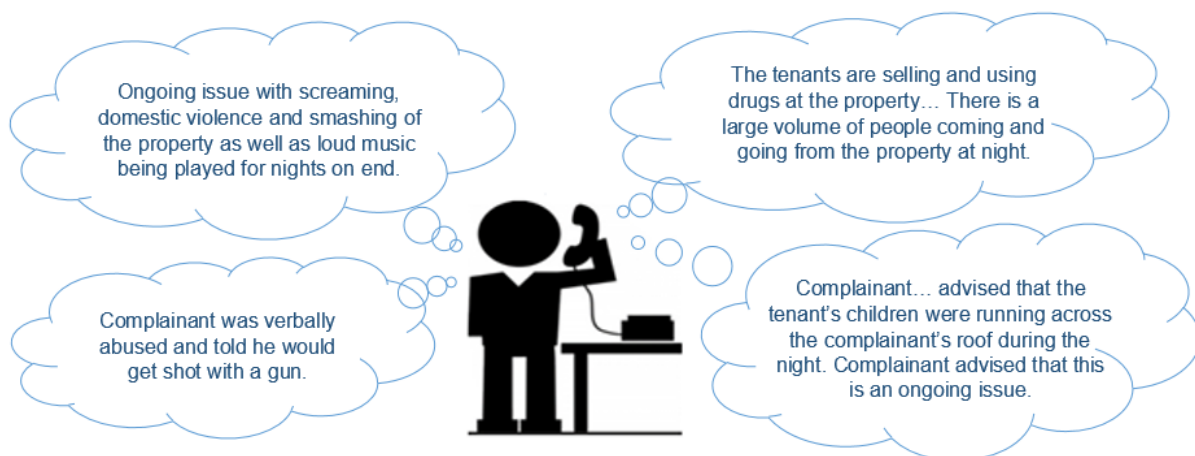
All complaints entered in Habitat are actioned

The Department generally manages complaints well. Its documented complaint management practices and procedures broadly align with its Strategy, policies and objectives. We found these also aligned with the Ombudsman Western Australia's complaint handling guidelines. While it is resource intensive, all complaints are recorded and actioned regardless of type or severity. This provides confidence that each incident is investigated and reduces the risk that valid community concerns will be missed.

During the period July 2016 to April 2018, the Department's Disruptive Behaviour Reporting Line received over 21,000 complaints, or an average of around 1,000 complaints per month. The complaints were about things like yelling, threatening behaviour and noise from cars or loud music. Staff follow a standard process to assess whether a complaint is valid, and investigate and resolve straightforward complaints. We did an in-depth review of 30 complaint investigations from this period and found:

- staff recorded evidence and decisions, though this information was not always available in the 'Habitat' complaints management system
- tenants were given an opportunity to present their own evidence
- bias in decision making is reduced by involving at least 3 staff members in case conferences at the end of each complaint investigation where a disruptive behaviour occurred or was permitted by the tenant
- tenants and complainants were informed of outcomes in a timely manner.

Examples of complaint issues are shown in Figure 2.



Source: OAG using Department information

Figure 2: Extracts from disruptive behaviour complaints received

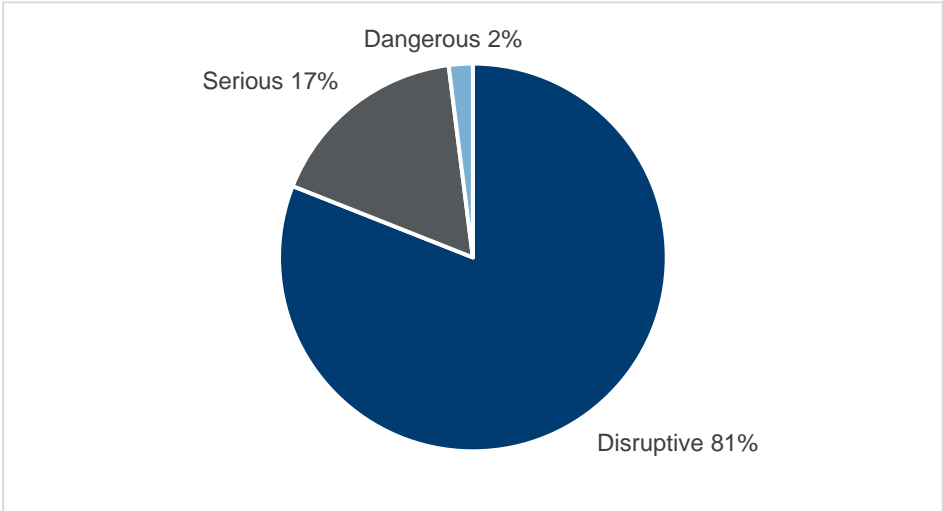
Most complaints were lodged by neighbours, other ‘members of the public’ and ‘anonymous’ complainants (Table 2). Complaints occurred at similar rates across both metropolitan and non-metropolitan regions, and related to 18% of public housing properties. The Department faces a sizeable challenge to manage the volume of complaints and prevent poor tenant behaviour, so it is even more important to take all opportunities to streamline the process.

Contact source	# Complaints
Member of Public	9,406
Tenant	8,228
Anonymous	4,049
Police	178
Relative	35
Housing Authority	13
Contractor	7
Support Worker	1
TOTAL	21,917

Source: OAG using Department data

Table 2: Source of complaints received July 2016 – April 2018

Only a small number of complaints (2,410 or 11%) led to a strike against the tenant after the complaint was investigated. Most strikes were issued for ‘disruptive’, the least severe category of behaviour (Figure 3). The number of evictions for this period was also low at 63, or less than 0.2% of all properties. The Department could therefore focus effort on targeting the relatively small number of disruptive tenants that are issued strikes. Better practice, such as outlined in the *Guidelines for Complaint Management in Organizations*³, would see minor grievances resolved without the need for investigation.



Source: OAG using Department data

Figure 3: Strike categories issued for ‘corroborated’ complaints – July 2016 to April 2018

³ AS/NZS 10002:2014 *Guidelines for Complaint Management in Organizations* recommend that the majority of complaints should be resolved by frontline staff.

Staff have competing priorities and face additional challenges in remote areas

The Department reviews and investigates most complaints, regardless of the severity of the complaint. It issued strikes for only 11% of complaints, but the rest required some level of investigation before each complaint could be closed. This is resource intensive, diverts resources from other activities and is particularly problematic in non-metropolitan offices with less resources, and longer travel times to visit tenants.

Many complaints provide critical information about tenant behaviour and welfare, but are better handled by other agencies. This happens because of a lack of clear information on who to report disruptive behaviour incidents to. For example, complaints about criminal activity and serious physical violence are best directed to the Police. Complaints about minor property damage may also be better addressed through other internal 'property maintenance' reporting channels. Investigating all these as complaints about disruptive behaviour is an inefficient use of Department resources.

Overall, the Department meets its target of resolving 90% of complaints within 30 days, with 92% of the over 11,500 complaints per year completed within this timeframe. This target was first set in 2017, to allow managers to monitor performance and identify areas for improvement in complaint handling. We found that all 3 metropolitan offices met this target. However, only 3 of the 8 non-metropolitan offices did – West Kimberley, East Kimberley and Great Southern (Table 3).

Region	% complaints finalised in 30 days	Total complaints	Number of staff	Number of complaints per staff per month	Number of properties
South East Metro	100	3,745	9	19	6,931
West Kimberley	100	562	1	26	1,278
East Kimberley	100	406	1	18	628
Great Southern	98	470	1	21	1,168
North Metro	97	6,642	12	25	11,801
South Metro	94	5,337	10	24	7,015
Wheatbelt	83	481	1	22	1,050
Goldfields	74	864	1	39	1,083
Southwest	71	1,355	2	31	2,517
Pilbara	68	1,055	1	48	1,430
Midwest/Gascoyne	68	1,000	2	23	1,687
Total	92	21,917	41	24	36,588

Source: OAG analysis of Department data

Table 3: Complaints management performance data by region – July 2016 to April 2018⁴

The 3 non-metropolitan offices that met the target manage properties in a small number of accessible towns. They also provide additional support to tenants to target offers of support to 'at-risk tenancies' and to reduce alcohol-fuelled disruptive behaviour. For example, local 'outreach' programs where staff meet and greet tenants, and promotion of the use of 'Liquor Restricted Premises'.

⁴ Note: number of properties at end June 2018

Liquor Restricted Premises

Liquor restrictions are a useful tool to assist some tenants to manage their tenancies, particularly where the tenant is concerned that alcohol-related violence and anti-social behaviour by visitors may result in disruptive behaviour incidents. The *Liquor Control Act 1988* allows the tenant to apply to the Director of Liquor Licensing, within the Department of Local Government, Sports and Cultural Industries, to have their house declared a liquor restricted premises.

If a person does not comply with the restriction, the tenant can contact the Police, who have the power to seize the liquor and enforce penalties of up to \$2,000. These penalties act as a deterrent to disruptive behaviour.

There are currently 421 public housing properties in WA that are declared Liquor Restricted Premises, with most in the Pilbara (129), West Kimberley (100), East Kimberley (72), Midwest/Gascoyne (47) and Goldfields (46).

Source: OAG using Department information

Longer complaint resolution times in non-metropolitan regions are due to factors like:

- higher number of complaints per staff member in some regions (Pilbara, Goldfields)
- time taken to meet with clients living in remote towns
- additional workload for isolated non-metropolitan staff who are responsible for all aspects of complaint triage and investigation.

We interviewed staff from 3 non-metropolitan offices and were told they had:

- Little time to support tenants due to the demands of complaint administration, and isolation. For example, Karratha staff have a 14-hour return drive to Newman via Port Hedland to visit properties. Staff may only meet disruptive tenants once a year in the more remote towns.
- Limited access to peer, intra-agency and social service provider support, and limited opportunities to exchange knowledge with metropolitan staff. In comparison, metropolitan staff we spoke with reported ready access to support and knowledge exchange opportunities.

All staff could benefit from regular and structured opportunities for knowledge exchange, particularly for more complex cases.

Low staff participation in training is another factor likely to be affecting the Department's efficient management of complaints. We found staff participation across 4 training modules we reviewed varied from 60% to as low as 13%. This important training covers disruptive behaviour management, family and domestic violence, mental health first aid, and complex tenancies management. The Department recognises that participation in training is inadequate and has developed more comprehensive Job Readiness Training. All staff need to be trained to effectively carry out their jobs and staff participation and engagement in the training is critical.

Opportunities to achieve better outcomes for more vulnerable tenants and the community are missed

Early intervention is needed to reduce disruptive behaviour

Early intervention to prevent disruptive behaviour is limited. Strikes can be issued against tenants with mental health, family violence, drug and alcohol, or inter-generational issues. The Magistrate sometimes rules against the Department's applications to terminate tenancies for these more vulnerable tenants because of circumstances beyond the tenants' control or because it would cause undue hardship. The Department recognises that issuing strikes against these tenants may not be the best way to manage tenancies and support them.

We found that tenants with a history of mental illness and family violence had been issued with strikes or recommended for eviction. Strikes were issued in line with the Department's *Mental Health* and *Family Violence* procedures, which both state that 'standard procedures should be followed' to manage disruptive behaviour. Within the complaint database, we found evidence of:

- 125 complaints involving tenants with 'mental health' issues, of which 18 were issued with a first or second strike as they had 'permitted' the behaviour
- 62 complaints categorised as 'domestic violence', of which 12 tenants were issued a strike.

Our review of 5 applications for termination where mental health concerns were involved found the Court did not agree to terminate the tenancies. The eviction process can cause unnecessary stress for tenants and support workers and unsuccessful eviction processes may be an inefficient use of Court and Departmental resources.

While there are a variety of options available to the Department to support these tenants, they are not commonly used. For example, the Department can offer 6-month fixed term tenancies if tenants agree to meet certain conditions, such as no further disruptive behaviour incidents. We found limited guidance for staff on when and how to use these options, which resulted in strikes being routinely issued. Department resources may be more effectively used through consideration of lessons learned from previous Court decisions, improved guidance and training for staff, and earlier intervention for these more vulnerable tenants.

The Department does not make the most of opportunities to collect tenant information to help limit disruptive behaviour. Staff have multiple contact points with tenants but they are not fully used to identify needs and provide early interventions. For example:

- Diversity information that could assist with early intervention is not routinely collected. Information on English as a second language, Aboriginal and Torres Strait Islander background, mental illness, disability, and literacy status is only voluntarily provided by tenants in rental applications.
- Information is not consistently gathered and recorded during routine rental property inspections that can occur every 3-12 months, which can identify tenants experiencing difficulties and inform the Department of potential tenant needs. Warning signs can include hoarding, poor property maintenance, children at home instead of school, and overcrowding.

Early intervention has been recognised by organisations such as the Equal Opportunity Commission, Tenancy WA, and the Australian Housing and Urban Research Institute as one of the most appropriate methods to help tenants with complex issues, and families with inter-generational dysfunction. Early identification of 'at risk' tenancies and referral to support

services can be achieved by undertaking an appropriate risk assessment prior to a tenancy commencing or early on in the tenancy. Intervention services are available but are currently limited to:

- at the beginning of a tenancy – a short ‘Help is Available’ brochure that lists support services
- each time a tenant is involved in a complaint investigation that results in issue of a strike or formal warning – tenant support via STEP is offered
- referrals – can be used if mental health or child protection concerns are evident.

Early intervention may help the Department to support tenants, reduce the overall incidence of disruptive behaviour, and reduce the need for evictions.

More information about tenant behaviour needs to be shared

Information sharing within and between agencies is essential but does not always happen as needed. The Department relies heavily on support from a variety of agencies and service providers to effectively manage tenants, but staff are not routinely informed of critical information or the outcomes of their mental health and child protection referrals. This limits the Department’s ability to effectively support tenants.

We found important information about tenants is not routinely shared within the Department or with important external stakeholders. For example, little information is communicated by some other areas of the Department to staff managing disruptive tenants. There is no formal information sharing arrangements with the Parole Board, Department of Justice, Department of Health, Department of Education, Department of Fire and Emergency Services, and the Department’s Disability Services division.

Key documents relating to intra and inter-agency communications are not up to date. Memorandum of Understandings (MOUs) with the Department’s Child Protection and Family Support unit, the Mental Health Commission, and Police were drafted between 2010 and 2014. The MOUs do not reflect current information sharing arrangements and agency relationships. The Department advised that the Mental Health Commission is no longer able to assist with mental health referrals and support, yet no alternative arrangements are in place.

We note the Department has challenges in sharing information due to privacy concerns. However, there are also missed opportunities for the Department, Police and support service providers to work together to support tenants with a history of disruptive behaviour. For example, the Department and Police routinely share information to help investigate complaints, but Police are not notified when disruptive tenants move between public housing properties. During our audit, Police identified this as important information that could assist them to better carry out their role. The Department already has a staff member stationed at Police who could assist with this information sharing.

The Department follows strict processes around the sharing of personal and sensitive information within and between agencies. For example, its current policy prevents the sharing of information about a tenant’s mental health unless the tenant has agreed, or poses a risk to themselves or others. However, supporting tenants to avoid homelessness depends on an understanding of each tenant’s unique and complex circumstances, so sharing this valuable information is important.

The Department could better share its focus on tenant support

The beneficial social outcomes the Department hopes to achieve, such as helping tenants to engage with support services, to prevent or reduce further disruptive behaviour and

contribute to safe communities, are not well publicised. The Department is missing opportunities to increase public awareness of how it now works to achieve better outcomes for tenants and the wider community. The *Withers Urban Renewal Project* in Bunbury is one example of this positive work in action.

Case Study – Withers Urban Renewal Project

The suburb of Withers in Bunbury has a long history of antisocial behaviour. The Withers Urban Renewal Project is an example of the work the Department is doing to engage with stakeholders and the community to reduce the density of public housing and thereby provide a safer neighbourhood.

The *Withers Local Area Plan* was adopted in 2016. One of the plan's objectives is to reduce the proportion of public housing in the area from 17% to 11% through demolition or sale of public housing complexes (Figure 4). Along with revitalisation of existing properties, and provision of a range of community facilities the project aims to create a 'safe, vibrant and active community'.

While the project will take some years to fully implement, 24 tenancies have recently been relocated to other suburbs, 1 complex transformed to an over-55's village and CCTV cameras have been installed in another. Community engagement and coordination has assisted in increased awareness of the diverse roles that government can play in supporting the community.



Source: OAG

Figure 4: A public housing complex earmarked for demolition in the suburb of Withers in Bunbury

Little information is available to help neighbours living near disruptive tenants understand the challenges the Department faces as it balances the provision of stable housing and ensuring tenants are not disruptive. A 'Responsible Tenancy' education and awareness campaign was recommended in the Strategy (Table 1), but it has yet to be fully actioned. The campaign to raise tenant and public awareness of obligations also highlighted a need to explain complaint handling procedures.

Limited information on how the Department manages disruptive behaviour is available on its website, in tenant newsletters, and in brochures and fact sheets. Without a good understanding of these aims neighbours are unlikely to know how best to engage with the Department.

The Department could improve its outcome measures and quality of data

Outcomes of the \$35 million tenancy support service program have not been independently assessed by the Department

The Department has not implemented good program governance around its \$35 million Support and Tenant Education Program (STEP), introduced in 2013. It therefore does not know how well the program is helping to sustain tenancies. STEP services include mental health, legal, Aboriginal medical, and family violence support. The program is a free voluntary case management service and is offered every time a strike is issued to a tenant.

We identified a number of deficiencies in the way the STEP program is administered, including:

- The Department does not compel providers to report against all of the performance measures that are outlined in their contracts.
- Providers categorise each client as “improved” or “not improved” when they exit the program. This is based on anecdotal evidence, and does not quantify the nature of the improvement or the impact on sustaining tenancies (Table 4).
- The Department does not independently verify the reported STEP numbers.

Without this information, there is a risk that the \$35 million program has not helped to sustain tenancies.

Status	Metropolitan	Non-metropolitan	Total
Total Referred	3,046	2,700	5,746
Progressed (client engaged)	1,777	2,086	3,863
Not progressed (client withdrew)	1,153	482	1,635
Pending	116	132	248
Open	243	321	564
Total Completed	1,534	1,765	3,299
Improved	1,429	1,202	2,631
Not Improved	105	563	668

Source: OAG using Department data

Table 4: STEP referrals and outcomes from June 2013 to end June 2018

The available information about STEP outcomes over the last 5 years has not been used to modify and improve the program. For example, nearly half of all STEP referrals were in non-metropolitan regions, which account for only 20% of public housing properties. But only 68% of these clients ‘improved’ compared to the much higher rate of 93% for metropolitan clients (Table 4). We expected to see effort to change the way STEP services were delivered in non-metropolitan areas, but found no evidence that this occurred.

From 1 July 2019, the Department will launch the ‘Thrive’ program to replace STEP. This new program is a response to the wider remit of the newly created Department. The program

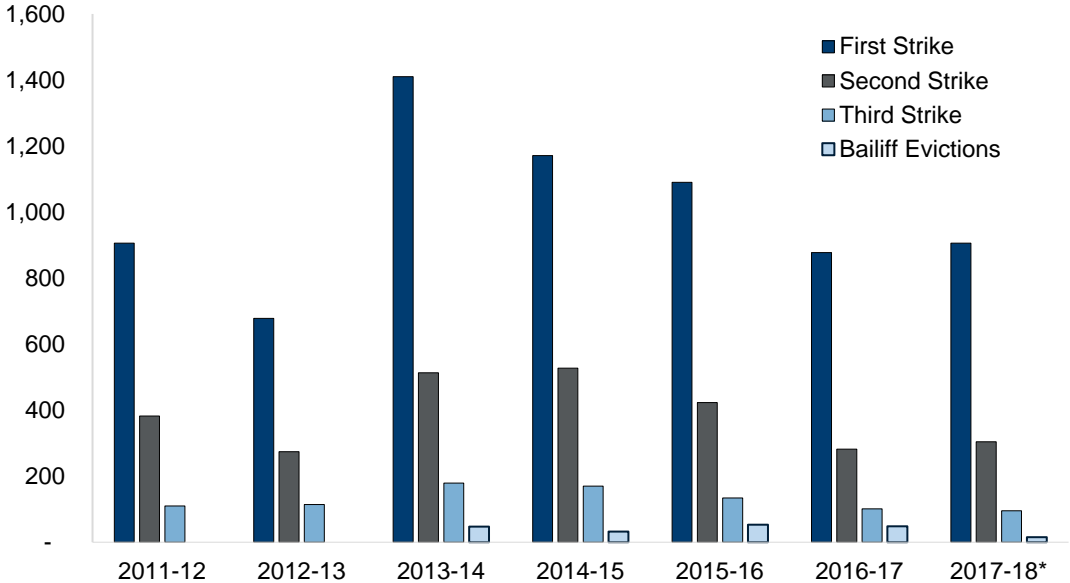
will cost \$10 million a year for 3 years, with an option to extend for another 2 years. Thrive intends to increase the focus on earlier intervention, offer more holistic tenant support, and improve tenant social and economic goals. It also aims to provide more culturally appropriate services and cater better for those in remote areas. The scope of the program was developed following extensive consultation with stakeholders, other parts of the Department, STEP providers and clients.

It is encouraging to see more detailed performance measures within the scope of the Thrive tender, that are to be determined in consultation with the Department and the winning provider. The measures need to directly relate to sustaining tenancies, be measurable, and be effectively implemented and followed up by the Department. Good practice project management and governance will be crucial once the contract is awarded to ensure tenants with complex needs are adequately catered for with this new \$50 million program.

The Department could improve its performance reporting and data quality

The Department’s performance reporting captures only part of the work it does to support tenants and address disruptive behaviour. It currently only reports the number of strikes and evictions, and the timeliness of complaints resolved within 30 days. There are many other ways to measure the outcomes achieved by the Department.

The number of strikes is reported externally as a measure of the Department’s progress towards reducing disruptive behaviour⁵. Reports show that the number of strikes increased after the introduction of the DBM Policy in 2011 (Figure 5) before peaking in 2013-14. Since then, the number of strikes has declined as the Department has shifted its focus towards improving tenant social outcomes and has introduced STEP services.



Source: OAG using Department data

Figure 5: The number of strikes and evictions of public housing tenants.

*The Department noted that Bailiff evictions for 2017-18 are low due to Habitat data entry issues.

The number of evictions is also externally reported as an indicator of the overall impact of the Department’s Strategy and policies. Eviction numbers have varied from 53 in 2015-16 to 15 in 2017-18 (Figure 5), and could also be viewed as an indicator that tenant support initiatives are inadequate. However, the eviction numbers do not fully reflect the Department’s efforts.

⁵ *Housing Authority Annual Report 2016-17* p. 56.

For example, not all Court applications to terminate a tenancy succeed, and some tenants choose to vacate rather than face a formal eviction.

A more complete picture of the Department's performance and efforts to minimise poor tenant behaviour could come from measuring:

- the number and type of referrals to support services. Efforts to support tenants include help with accessing financial counselling and social support programs
- offers of fixed-term tenancies with conditions of good behaviour following eviction proceedings
- the impact of support services, such as STEP, in helping to sustain tenancies
- associated legal, cleaning and repair costs, which could be used for direct comparison over time.

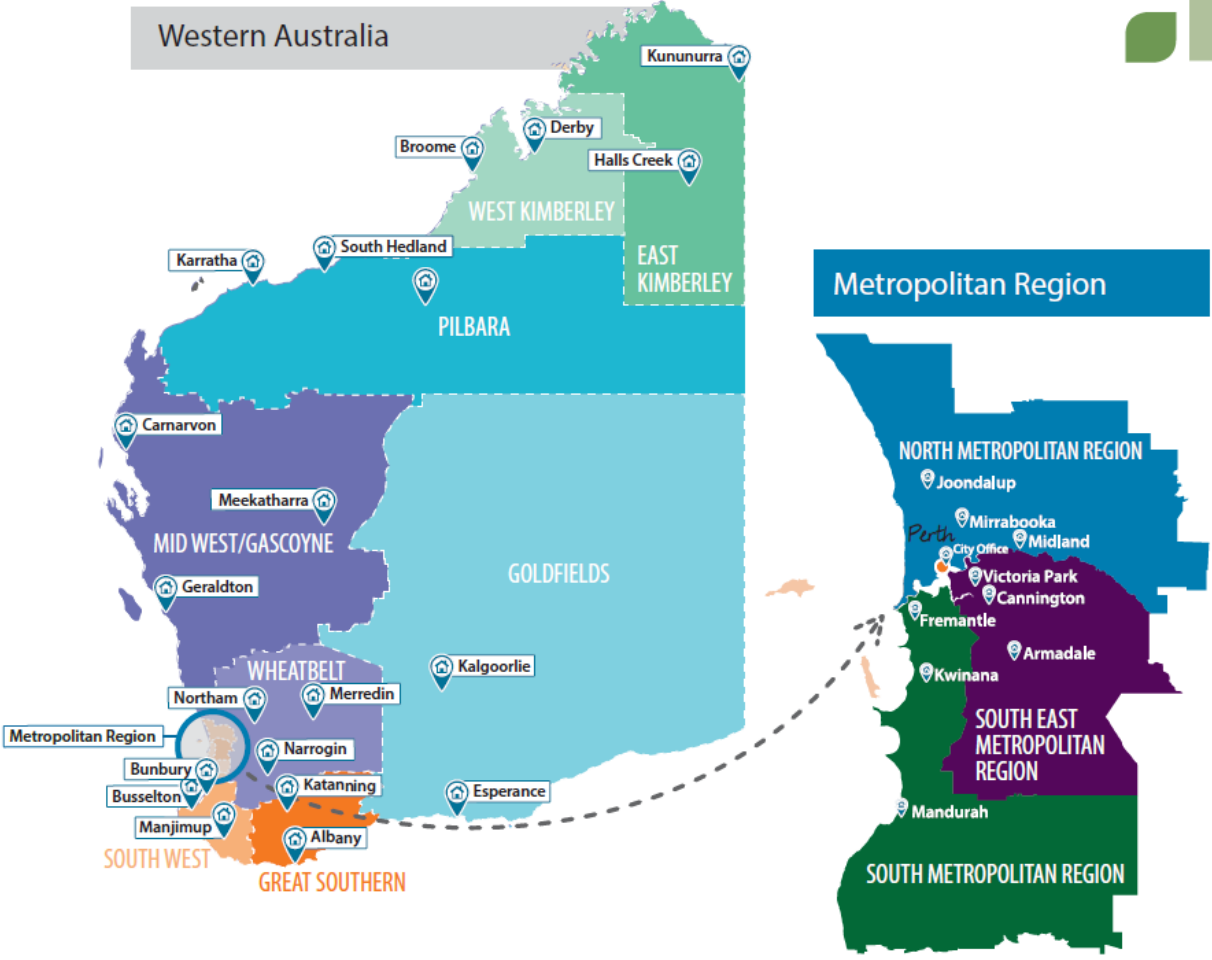
Key information that the Department needs to inform how it manages disruptive behaviour is not always recorded in an easily accessible format. Department data is not centrally stored, with information housed in various electronic and hard copy records management systems. For example, there is no easy and reliable way to find out how many referrals were made to the Mental Health Commission or Child Protection and Family Support. Seeking information from multiple sources also creates a risk of incorrect decision making, both at the individual complaint level as well as more broadly across the Department's efforts to manage disruptive behaviour.

We found examples of key information that was not always captured or available in the Habitat system, such as:

- Details of Aboriginal and Torres Strait Islander status, despite it being common practice across government to collect this diversity information. The Department has a range of additional programs to support these tenants, such as the *Building Safe and Strong Families Earlier Intervention and Family Support Strategy*. Improved information capture and storage would allow the Department to better match tenants to these programs.
- Court and eviction information is often missing or is not well documented. The Department recognises that reviewing Court proceedings and outcomes is essential to understanding why applications to terminate tenancies involving disruptive tenants with complex needs are dismissed or not approved, and update policies and procedures to reflect lessons learned from Court outcomes.
- Complaints from contractors, staff, support service staff, other agencies and visitors who do not live near the tenant. For example, the Department's Manager of Housing Maintenance Contract Performance advised that of the 20,000 work orders actioned each month in Department owned and managed housing, approximately 1% result in a complaint from a contractor, which could equate to as many as 200 complaints per month. Contractor complaints ranged in severity from mild swearing to one tenant chasing a contractor off the property with a machete. However, only 7 contractor complaints were recorded in Habitat over the 22-month period (Table 2).

The Department is committed to improving data quality. A 2016 internal review found problems with how complaint data is recorded across regions. The review recommended operational procedures be updated to support data collection. The Department addressed each of the recommendations. However, further improvements, such as ensuring Court and eviction data are consistently entered in all relevant fields, are needed to make Habitat data complete and reliable. Good quality data informs reporting and would help the Department to identify areas to improve how it manages disruptive behaviour from tenants.

Appendix 1: Department of Communities – Housing regions and office locations



Source: Department

Auditor General's Reports

Report number	2018-19 reports	Date tabled
11	Opinions on Ministerial Notifications	20 December 2018
10	Opinions on Ministerial Notifications	18 December 2018
9	Treatment Services for People with Methamphetamine Dependence	18 December 2018
8	Opinions on Ministerial Notifications	10 December 2018
7	Audit Results Report – Annual 2017-18 Financial Audits of State Government Entities	8 November 2018
6	Opinion on Ministerial Notification	31 October 2018
5	Local Government Procurement	11 October 2018
4	Opinions on Ministerial Notifications	30 August 2018
3	Implementation of the GovNext-ICT Program	30 August 2018
2	Young People Leaving Care	22 August 2018
1	Information Systems Audit Report 2018	21 August 2018

Office of the Auditor General Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

Mail to:
Perth BC, PO Box 8489
PERTH WA 6849

T: 08 6557 7500

E: info@audit.wa.gov.au

W: www.audit.wa.gov.au



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