

**Question on Notice
No. 1002
Asked on 7 August 2007**

Mr HAYWARD asked the Minister for Public Works, Housing and Information and Communication Technology (MR SCHWARTEN) –

QUESTION:

Will he provide information on the number of community housing providers that have taken steps to consolidate under the Consolidation of Urban Organisations funding and if any of these organisations service the Kallangur Electorate?

ANSWER:

In May 2006, the strategy for the Consolidation of Urban Organisations was announced in the Queensland Government's Community Housing Direction Statement. The intent of the strategy is to reduce the overall number of providers and encourage and support amalgamations and consolidation efforts so that fewer, more financially robust community housing organisations in urban areas operate effectively as part of the One Social Housing System.

In August 2006, \$10 million incentive funding was approved for the initial rollout of the strategy in the identified high-need areas of Greater Brisbane, Gold Coast and Townsville. The \$10 million is being used to purchase properties to lease to organisations through an Expression of Interest process. It is estimated that this funding will purchase approximately 30 properties, equating to \$3.3 million or 10 properties per region.

Under this initiative, there are 12 organisations working towards consolidation:

- The Gold Coast Housing Company is the result of the successful amalgamation of the Gold Coast Community Housing Association and Gold Coast Vision Limited. The newly formed company, managing 210 properties, received approval for leases to approximately 10 properties and grants of \$30,000 to employ a project worker to identify and amalgamate with new partners.
- Up to seven Brisbane-based housing cooperatives managing 120 properties have proposed amalgamation and are in the process of working through a project plan to achieve this goal.
- A consortium of three housing providers—Better Housing Projects, Redback Housing and Cabbage Tree Housing Association—managing a total of 540 tenancies is progressing consolidation to become a new company known as BRIC.

Cabbage Tree Housing Association, a provider that is part of the BRIC consortium, is located in Sandgate and services the Kallangur Electorate. The organisation manages 132 properties across the Long Term Community Housing, Community Rent Scheme and Community-managed Studio Units programs. Of these, nine properties are located in Kallangur.

The Consolidation of Urban Organisations provides a timely opportunity to reduce the overall number of providers and to move towards larger community housing portfolios that will achieve stronger client outcomes and greater economies of scale as well as strengthening the capability of these bodies to work with the Government in a more focussed way to make more progress in the area of organisational consolidations.

Funding was provided to the Queensland Community Housing Coalition in 2005/06 to develop resources to support amalgamations. Unfortunately this work has been slower than the Department would have liked.

The strategy for Consolidation of Urban Organisations is the driver for future funding and investment decisions about Government investment in social housing in urban areas.