

Rebecca Reilly
North Coast Regional Organiser
Public Service Association

Re: C10010863 - Submission regarding the Functional Review changes and the impact to the Northern District Housing Services.

Dear Ms Reilly,

Thank you for your continued correspondence regarding member concerns associated with the implementation of the Functional Review in Northern District.

As these matters have now been raised and discussed on numerous occasions through the local Joint Consultative Committee (JCC), Homes NSW considers it appropriate to provide this formal consolidated response as its final response to the issues raised to date. While we remain committed to engaging constructively with the PSA and to supporting staff through the changes, Homes NSW's position on the matters outlined below is now settled unless new or materially different issues are identified.

Functional Review – Intent and Context

Homes NSW acknowledges that embedding significant structural change takes time and that periods of transition may create uncertainty, pressure and the need for ongoing adjustment. However, Homes NSW does not accept the proposition that the challenges currently being experienced across the district are solely attributable to the Functional Review. The Functional Review did not remove work; rather, it redistributed tasks across teams to improve consistency, efficiency and customer service outcomes. It also aligned staffing and structures to funded positions, approved establishment and statewide operating models. Supernumerary roles were not funded ongoing positions, and the organisation is required to operate within approved staffing structures and budgets.

In parallel with the implementation of the Functional Review, Homes NSW has undertaken a structured program of psychosocial risk assessments across the district, including in Hunter (Charlestown/Newcastle), Central Coast (Tuggerah) and across Northern NSW. These assessments were developed in consultation with staff and the Director Risk and Compliance and directly respond to concerns raised regarding workload, role clarity, exposure to traumatic events and workplace pressures.

These psychosocial risk assessments identified role overload, competing priorities and resource constraints as key hazards impacting staff wellbeing. As a result, actions have already been implemented and embedded across the district, including:

- establishment of clear role and responsibility frameworks,
- use of Visual Management Boards (VMBs) to support planning and prioritisation, and
- strengthened work planning, monitoring and escalation processes to provide better line of sight for managers and staff

Workload Pressures and Operational Drivers

Homes NSW acknowledges that workload pressures remain significant in a number of areas. However, the available operational evidence confirms that many of the issues now being cited — including workload demand, arrears growth, service complexity and staff fatigue — were present prior to implementation of the Functional Review and are not solely a consequence of the revised structure. In particular, current pressures have been more directly influenced by staffing gaps, turnover, the time required to onboard new staff, increasing client complexity and broader system demand. The district continues to manage work through daily planning, prioritisation, risk assessment and resource allocation, and staff are not expected to work beyond planned capacity or outside agreed priorities. Performance measures are used to monitor service delivery and support improvement, not as a tool for reprimand.

Role Clarity and Redistribution of Work

In relation to concerns that staff continue to perform functions they were previously advised would move elsewhere, Homes NSW reiterates that the Functional Review was designed to redistribute work rather than eliminate it. Tasks such as phone lines, subsidies and broader customer service responsibilities remain part of Housing Services delivery, but under the revised model they are shared across broader teams to create a more equitable distribution of demand and to reduce reliance on individual local arrangements. The district-wide phone system, in particular, was introduced to spread demand, reduce wait times and use district capacity more effectively.

Consistent with this, the psychosocial risk action plans include actions to address role conflict and unclear ownership, including targeted workshops on policies and processes, clarification of decision-making authority and structured communication pathways across teams to reduce duplication and confusion.

District Phone Model

Homes NSW acknowledges that implementation of the district phone model has been one of the more challenging elements of the review. For that reason, priority call management, rostered coverage, targeted coaching and ongoing training are already in place, and further refinement is continuing. Homes NSW maintains that the model itself is sound and supports a shared district-wide responsibility for customer service; however, it is also recognised that inconsistent adherence to roster requirements and inconsistent local management oversight have at times affected service response times. These issues are being actively monitored and addressed. Homes NSW remains committed to improving staff capability and confidence in this area through structured coaching, subject matter expert forums and development through Performance Development Plans.

Access, Demand and Service Delivery Model

With respect to Access and Demand, Temporary Accommodation assessments and customer-facing work, Homes NSW acknowledges that this work is often highly complex and time-intensive. That is not new. The current model is designed to support more specialised and consistent service delivery, including Local Access teams focused on Temporary Accommodation, Local Tenancy teams focused on supporting tenants in their home, a Tenancy and Access Hub responsible for application assessments and other process driven tasks, and a dedicated Private Rental Pathways team, Letting team and Specialist team. Workplans for Local Access staff already account for walk-ins, counter enquiries and complex assessment activity, and workloads are reviewed and distributed daily across the district to maximise available capacity. Where specific concerns are raised about emergency incidents, underreporting of workloads or local site pressures, those matters require concrete examples so they can be properly examined and validated.

Portfolio Settings and Service Expectations

Homes NSW does not accept the assertion that statewide portfolio settings for Northern District are unfair or unreasonable. Portfolio sizes have been determined at a statewide level, with inner-city districts reduced to 250 properties due to the density of large complexes and additional client complexity. Other districts operate around an average of 300 properties, with some local variation based on geography, property distribution and operational requirements. Homes NSW acknowledges that regional and remote areas present different challenges, particularly in relation to travel and cross-regional servicing, and this is taken into account in local management strategies. At the same time, the expectation remains that clients are not turned away or redirected improperly between offices, consistent with the “no wrong door” approach. If this is occurring in practice, it is a management issue requiring investigation and correction, not evidence that the overall operating model is fundamentally flawed.

Local Service Delivery Challenges (Lismore/New England)

Homes NSW acknowledges that this area presents particular challenges and confirms that the approach to New England and Mid North Coast tenancies is under active review. In the interim, work continues to be prioritised on the basis of risk, need and available resourcing. Travel to these areas is supported through work planning, allowances and voluntary participation where relevant. Homes NSW also acknowledges concerns regarding the reduction of face-to-face accessibility in Tamworth and Armidale and confirms this issue remains under review.

Performance Monitoring and KPIs

Homes NSW further notes the concerns raised regarding KPI expectations, notices of termination activity and broader performance monitoring. Its position remains unchanged. Performance monitoring is essential to ensure services are delivered effectively to the community and to support continuous improvement in planning, systems and staff capability. It is not used as a punitive mechanism. Work planning is intended to support staff capacity, not increase it beyond reasonable expectations, and targeted arrears activity in specific portfolios reflects operational need and the resource-intensive nature of NCAT processes, not a departure from fair workload management.

Psychosocial risk controls implemented across the district also reinforce that performance expectations must be aligned with capacity and planning discussions, with structured 1:1 supervision, team huddles and leadership oversight introduced to ensure workloads, priorities and KPIs are clearly communicated and adjusted where required.

Administrative Support Roles

Homes NSW does not accept the proposition that Housing Assistant functions were removed without replacement planning. The transition to Housing Support Assistant roles occurred on the basis that former Housing Assistants were retained until recruitment and onboarding were in place, and overall dedicated administrative support has increased from 9 Housing Assistants to 13 Housing Support Assistants. The new role is largely aligned to the former Housing Assistant function, with a more defined administrative focus and without financial delegations.

Implementation, Training and Support

Homes NSW acknowledges that some aspects of implementation and training could have been managed more effectively. That has already been recognised. However, staff were mapped to roles with consideration given to previous functions, team alignment and relevant experience where possible, and structured onboarding, buddy support, line manager support, coaching and additional training initiatives are in place for both new and existing staff. Newly recruited staff are not expected to operate without guidance, and capability development remains an ongoing focus.

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This is further supported through district-wide psychosocial action plans which include:

- development of training registers and mandatory training programs,
- structured onboarding and capability development pathways, and
- ongoing leadership development to strengthen consistency in staff support and decision-making.

Staffing and Recruitment

Homes NSW confirms that the executive review identified staffing gaps across districts, particularly within CSO classifications, and targeted recruitment strategies have been implemented to reduce prolonged vacancies and maintain service continuity. Additional CSO recruitment above funded FTE has been approved on the basis that natural attrition will offset costs and maintain budget neutrality. These positions will sit within the tenancy and access hub and are intended to support the district to respond more flexibly to demand pressures and priority work.

Overtime Arrangements

Homes NSW reiterates that overtime has been offered as a targeted and voluntary measure to assist with historical backlogs and is not a substitute for workforce planning nor a direct consequence of the Functional Review. Participation is voluntary, compensation is provided in accordance with applicable arrangements, and opportunities are aligned to the classification level of the work involved.

Conclusion and Next Steps

Homes NSW remains committed to supporting staff through these changes. That includes continued monitoring of implementation impacts, ongoing refinement of local processes, capability development, active management of staffing gaps and continued line management support. This includes the continued implementation, monitoring and refinement of the three-district psychosocial risk assessment and action plans, which provide a structured, evidence-based approach to identifying risks, consulting with staff and implementing practical controls to support psychological health and safety across Northern District.

As previously advised, the Northern District Director, Krystal Moores, is undertaking a six-month review of the realigned structure. The review aims to assess the effectiveness of the changes in supporting service delivery, workforce capability and workload management, and to identify opportunities for further refinement. It is intended to highlight areas of improvement as well as those requiring ongoing focus and is scheduled for completion in early July 2026.

Given the repeated discussion of these matters through the JCC, Homes NSW considers its position clearly communicated. Should the PSA raise new matters or provide specific evidence of localised issues, these will be considered on their merits. Otherwise, this correspondence represents Homes NSW's final response to the issues raised to date

Yours sincerely,



Tara Vella
Executive Director, Housing Services
Homes NSW

30th June 2026