



Victorian Public Tenants Association
Victorian Budget 2019/20 Submission

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About us

The Victorian Public Tenants Association (VPTA) is the peak body representing public housing tenants in Victoria.

We offer counselling, advice, referral, representation and advocacy for public housing tenants and those on the waiting list.

Our goal is to give voice to tenants, and to improve and expand public housing in Victoria.

Introduction

Currently in Victoria, massive house prices are locking a generation out of home ownership and creating more renters than ever before.

Growing competition for rental properties is causing rents to skyrocket, so more and more Victorians can no longer afford to rent in the private market.

This is putting even more pressure on public housing, with over 82,000 Victorians (including almost 25,000 children) waiting for a place to call home.

Despite an increase in funding for Victoria's public housing system under the Andrews Labor Government, our state continues to have the lowest proportion of public housing in the nation.

In 2016-17 alone, 123 new public housing properties were constructed and 106 were sold off¹ – meaning only a net gain of 17 new homes in a year.

Inevitably this is creating record levels of homelessness, with almost 25,000 Victorians experiencing homelessness on any given night.

We commend recent funding for our state's public housing system, including \$185 million for the Public Housing Renewal Program, \$21.7 million for high rise sprinkler upgrades, \$22 million for further high rise upgrades in metropolitan Melbourne, and \$150,000 for the Collingwood high rise mural.

¹ DHHS (2018), '*Social housing and specialist homelessness services additional service delivery data 2016-17*', Available at: <https://dhhs.vic.gov.au/social-housing-and-specialist-homelessness-services-additional-service-delivery-data-2016-17>

However, major gaps remain; from the lack of new stock being built to tackle the growing waiting list, through to a lack of energy efficiency upgrades and government-led support for current public housing tenants.

This submission calls for investment in the Victorian Budget 2019-20 in seven critical areas that will each make a direct and positive impact on the lives of current tenants and those desperately waiting for public housing in Victoria.

We urge the Victorian Government to:

1. Guarantee a pipeline of public housing construction projects beyond the 1,000 promised by 2022.
2. Mandate inclusionary zoning for all surplus government residential land.
3. Expand the current EnergySmart Public Housing Project to more properties and commit to install solar panels on all applicable public housing properties by 2025.
4. Mandate the installation of split systems in all new public housing units and properties where a gas heater is being replaced in future.
5. Re-introduce Tenant Participation Officers per DHHS division to improve tenant engagement and maintenance outcomes.
6. Improve tenant engagement via regional tenant forums and the re-introduction of Housing Week.
7. Include the role tenancy plays in Victorians' mental health journey during the Royal Commission into Mental Health and further improve wrap-around services in the public housing system as a result.

A pipeline of construction

Victoria's supply of public housing has not kept pace with population growth over the last twenty years.

Since 1998, Victoria's population has increased by 1.46 million people, but the number of public housing properties owned by the Director of Housing has only increased by 89.

Data from the Department of Health and Human Services² states that in 2016-17 alone, 123 new public housing properties were constructed and 106 were sold off – meaning only a net gain of 17 new homes in a year.

This lack of growth is inevitably creating unprecedented levels of homelessness in our suburbs and regions, with almost 25,000 Victorians denied the right to a safe, secure place to call home on any given night – 99 of whom are turned away from homelessness services due to a lack of capacity.³

Our public housing waiting list now consists of more than 82,000 individual Victorians – including almost 25,000 children – and is increasing by a staggering 500 applicants a month.

The VPTA was encouraged by the Andrews' Government's recent election promise to build 1,000 new public housing properties by 2022. This commitment will save lives and give a stable, secure home to thousands of Victorians who need it most.

However, we continue to stress that a far bigger build is needed.

Premier Daniel Andrews stated himself in October 2018 that “if budget circumstances allow for us to do more then of course we would.”⁴

With the best economy in the nation and a mandate from the public to continue being bold on infrastructure, the VPTA urges the Victorian Government to commit to a larger pipeline of public housing construction projects to address the growing housing crisis.

Doing so would save more lives and help the most disadvantaged in our community, whilst also boosting job numbers, local manufacturing opportunities and the broader economy.

² DHHS (2018), *Social housing and specialist homelessness services additional service delivery data 2016-17*, Available at: <https://dhhs.vic.gov.au/social-housing-and-specialist-homelessness-services-additional-service-delivery-data-2016-17>

³ Australian Institute of Health and Welfare (2018), *Specialist homelessness services 2016-17: Victoria*, Available at: <https://www.aihw.gov.au/getmedia/07441e6f-86f4-46ea-82d6-aba6f811e45e/shs-2016-17-vic-factsheet.pdf.aspx>

⁴ VCOSS (2018, 17 October), Press conference, Available at: <https://twitter.com/VCOSS/status/1052420369032863744>

Research has shown that just to keep our state's current levels of public and community housing (as a proportion of total housing) would take 1,800 new homes each year.⁵ This is also outlined in Victoria's 30-year Infrastructure Strategy, which states that 30,000 new public and community housing properties are needed over the next decade.⁶

1,000 new public housing properties by 2022 will not address our growing waiting list. To truly do so, a comprehensive Victorian Public Housing Strategy is required, along with a long-term capital expenditure commitment to construct public housing properties for Victorians in need.

Some growth in stock can be achieved through public-private partnerships, however, there needs to be a greater effort to grow the asset through direct government provision. Doing so is also more cost-effective for government in the long-term.⁷

Recommendations:

Develop a comprehensive Victorian Public Housing Strategy which includes specific growth targets.

Establish a statutory authority responsible for the future planning, construction and maintenance of public housing in Victoria.

⁵ Burke, T. (2016), '*Quantifying the shortfall of Social and Affordable Housing*', Available at: <https://chiavic.com.au/wp-content/uploads/2017/09/Housing-Shortfall.pdf>

⁶ Infrastructure Victoria (2016), '*Victoria's 30-Year Infrastructure Strategy*', page 104, Available at: http://infrastructurevictoria.com.au/sites/default/files/images/IV_30_Year_Strategy_WEB_V2.pdf

⁷ AHURI (2018), '*Social housing as infrastructure: an investment pathway*', Available at: https://www.ahuri.edu.au/_data/assets/pdf_file/0025/29059/AHURI-Final-Report-306-Social-housing-as-infrastructure-an-investment-pathway.pdf

Inclusionary zoning

In October 2018 we stood united with six other housing and homelessness bodies, charities and social service organisation to sign *The Whittlesea Declaration*.⁸

Alongside building 3,000 extra public and community housing properties each year, the declaration urges the Victorian Government to mandate public and community housing in new developments.

Melbourne boasts nearly 200 hectares of government-owned land that could host 30,000 homes, according to University of Melbourne researchers⁹.

The Victorian Government's Inclusionary Housing Pilot program uses selected parcels of government land to build extra community housing. We commend this and welcome the extra 100 new homes to be built as part of the project.

But the Inclusionary Housing Pilot is an isolated and limited initiative.

We urge the Victorian Government to mandate inclusionary housing on all surplus government residential land as the next step to expand our public and community housing system. It would potentially generate thousands of new homes each year and will demonstrate that inclusionary housing is feasible and cost-effective, paving the way for mandatory inclusionary zoning in private developments.

Recommendation:

Extend the Inclusionary Housing Pilot program and mandate an ambitious minimum public and community housing percentage in all surplus government residential land.

⁸ Whittlesea Declaration (2018), Available at: <https://www.vcross.org.au/wp-content/uploads/2018/10/Whittlesea-Declaration-2018.pdf>

⁹ Worrall, A. (2018, 6 October), 'Melbourne's underutilised government-owned land could be housing, report finds', Domain, Available at: <https://www.domain.com.au/news/melbournes-underutilised-governmentowned-land-could-be-housing-report-finds-20181006-h169k9-770623/>

Energy efficiency for tenants

Currently, 38% of Victorian public housing tenants' main source of income is a Disability Support Pension, with a further 28.4% receiving Aged Pension payments and 14.4% receiving Newstart and Partnered Payments¹⁰.

To qualify for public housing, applicants have to be some of the most vulnerable, disadvantaged people in our community.

Putting a roof over their heads and capping rents significantly improves these Victorians' lives, however, the state of much of our current public housing stock is sadly impacting their health and wellbeing.

Constantly, the VPTA hears from tenants struggling with ventilation issues and units that become dangerously hot during summer months, particularly within Victoria's high rise and walk up properties.

Currently, tenants can apply for air conditioning from the department if they are elderly or have specific medical issues. Everyone else has to either buy and install it themselves, or suffer through the sweltering heat.

On a regular basis, we receive enquiries from tenants, asking if their Housing Office can offer a subsidy for air conditioners, and if they can get solar panels installed on their roofs.

The recent announcements to help owner-occupiers and private renters install solar panels are welcome; however, they completely fail to assist poor residents living in public housing with their energy bills.

Public housing tenants shouldn't be forced to pay high bills in energy inefficient properties that get dangerously hot in summer – especially considering they are the least likely to be able to afford to install energy efficient products themselves and pay the cost of expensive bills.

Everything that can be done to address energy inequity between private and public tenants should be.

It will improve tenants' health and wellbeing, improve the liveability of public housing properties, push fewer tenants into rent arrears, and benefit the environment long-term.

¹⁰ DHHS (2018), *Social housing and specialist homelessness services additional service delivery data 2016-17*, Available at: <https://dhhs.vic.gov.au/social-housing-and-specialist-homelessness-services-additional-service-delivery-data-2016-17>

Recommendations:

Expand the current EnergySmart Public Housing Project which is delivering energy efficiency upgrades to 1500 properties by 2019.

Commit to install solar panels on all applicable public housing properties by 2025.

Mandate the installation of split systems in all new public housing units and properties where a gas heater is being replaced in future (as a result of the now bi-annual gas heater testing regime).

Increased support for tenants

Historically, the State Government funded a Tenant Participation Officer in each housing region, public tenant groups under the Tenants Group Program, and also funded the old Social Housing Advocacy & Support Program (SHASP) to support tenant participation.

These initiatives helped create an informed, engaged and empowered tenant community, and prevented many tenancies from becoming at risk.

Sadly, these initiatives now no longer exist (Tenant Participation Officers), no longer support tenant participation (Tenancy Plus), or have not been prioritised as they should be (Tenant Groups).

This is leaving tenants feeling isolated, disenfranchised, and disempowered. It also reduces their pride in place and does not allow them to provide input into decisions affecting their community such as security concerns, anti-social behaviour and health and wellbeing.

Similarly, DHHS no longer funds Housing Week and the production of regional tenant forums which built community capacity and encouraged public housing tenants to develop action plans for their communities.

We strongly recommend the re-introduction of these support initiatives to give greater voice to tenants and provide a higher quality housing service for them, especially as part of DHHS' efforts to become a more client-focused social landlord.

We also recommend that there is a strong focus on the role tenancy plays as part of the Royal Commission into Mental Health, and to improve wrap-around services as a result,

given the most common form of tenure for people with low prevalence mental illnesses is public housing.¹¹

Recommendations:

Re-introduce Tenant Participation Officers per DHHS division to improve tenant engagement and maintenance outcomes.

Improve tenant engagement via regional forums and the re-introduction of Housing Week.

Include the role tenancy plays in Victorians' mental health journey during the Royal Commission into Mental Health and further improve wrap-around services in the public housing system as a result.

¹¹ AHURI (2018), '*Housing, homelessness and mental health: towards systems change*', p. 17, Available at https://www.ahuri.edu.au/_data/assets/pdf_file/0023/29381/Housing-homelessness-and-mental-health-towards-systems-change.pdf