



VICTORIAN PUBLIC  
TENANTS ASSOCIATION

# Victorian Budget Submission

2024-2025



## Who We Are

The Victorian Public Tenants' Association (VPTA) is the voice of public housing in Victoria.

As the peak body representing existing public housing renters and those on the waitlist, our goal is to provide advice to renters, and to improve and expand the public housing system in Victoria. Although not formally part of our role, we also assist community housing renters where possible.

We believe all social housing renters deserve a representative voice, regardless of their specific tenure type.

While our work is in Victoria – we are the only peak body in Australia which exclusively represents public housing renters or people who live in social housing.

We undertake systemic advocacy and provide policy advice to the Victorian Department of Families, Fairness and Housing ('the Department'), undertake community engagement work and operate a free and confidential telephone advice service. In the 2023 calendar year we helped more than 1200 residents and housing applicants. That is a nearly doubling of our 2021-22 workload. The VPTA team continues to experience increased demand for service.

## Acknowledgment of Country

We acknowledge the Traditional Owners of Country throughout Victoria, and recognise their continuing connection to land, waters, sky and community.

We pay our respects to Elders past, present, and those who will become Elders in the future, as well as all Aboriginal and Torres Strait Islander peoples.

We thank you for caring for the land we share with you over tens of thousands of years, which we acknowledge was never ceded.

## Context for this Budget

*Safe and suitable housing is a basic human need without which Victorians cannot aspire to live stable productive lives, maintain or recover their physical and mental health, provide for themselves and their families and participate in their community. It is associated with better outcomes in health, education and employment, as well as economic and social participation. Housing instability and homelessness increase vulnerability to adverse social and economic circumstances and risk of involvement with the justice system. Housing is more than just shelter; it is essential to the inherent dignity and well-being of the person, and to ensure sustainable and inclusive communities. And homelessness is more than just a lack of housing.*

Independent Panel of the Social Housing Regulatory Review, *Social housing in Victoria, Consultation Paper 1 – Background and scoping paper*, June, 2021.

Victoria, post-pandemic, has adjusted to a more constrained fiscal environment, where cost of living pressures limit the choices of many people, particularly those who seek assistance from the VPTA. In this context, public services and strong public policy initiatives to support the most vulnerable in our communities are more important than ever.

Over many years, the Victorian Government has been implementing a bold vision to make Victoria a fairer and more productive society. This includes actions to:

- Secure transport infrastructure and liveability for the Victorian community,
- Provide education, especially for very young children and vocational learners,
- Create jobs,
- Health and fairness (through the implementation of Family Violence and Mental Health Royal Commission recommendations),
- Reconciliation, through the Treaty process with First Victorians, and
- Mitigate pressure from high energy costs, while also acting to address climate change.

The VPTA's recommendations are directed to continuing this work to create a fairer and more productive Victoria.

# 1. TACKLING THE WAITING LIST

## Making the Housing Statement Work

Victoria is the second most populous state in Australia, but it is bringing up the rear in terms of housing stock. Only 2.9 per cent of all dwellings across the State are social housing and less than 2 per cent are public housing properties. At the same time over 100,000<sup>1</sup> individuals are waiting for housing. Compared to other Australian jurisdictions where the average share of housing provided by social housing is 4.1 per cent, Victoria is lagging a long way behind.

Decades of failing to invest in public housing supply has meant greater rationing of the few properties available, and even priority applicants for housing face long delays. “Victoria’s current rate of social housing allocation does not come close to meeting demand with the social housing waiting list being significantly larger than allocations. Between March 2022 and March 2023, the social waiting list increased by 6.17% from 64,034 applications to 67,985 applications.”<sup>2</sup> Without significant increase in the supply of public housing, the number of families languishing on the VHR will continue to grow.

The VPTA acknowledges the ambition of the recently released Housing Statement, including the target to build 800,000 homes over the next decade. However, the document has missed an opportunity to set a clear vision for the urgently needed growth in social housing. Most glaring of all, is the omission of a specific growth target for publicly owned and managed housing.

The VPTA appreciates the need for renewal of the existing high-rise buildings and the importance of providing housing that is appropriate for residents, and is safe, secure, and accessible. We are acutely aware of substantial maintenance and safety issues which make these buildings no longer fit for purpose. However, the proposed increase in social housing stock of 1000 projected from the tower replacement project is miniscule. The renewal of these long neglected community assets will not house our most disadvantaged citizens who are already waiting or will soon join the ever expanding Victorian Housing Register (‘VHR’)<sup>3</sup>.

Victoria must add a minimum of 6,000 new social housing dwellings each year for ten years just to keep pace with the existing level of service delivery. The over 100,000 Victorians in an application to the VHR includes elderly people, victim-survivors of family violence, people who are living in unsafe situations and children. At the time of writing, more than 56 per cent of current applications on

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<sup>1</sup> Homes Victoria informed the Legislative Council Committee on Legal and Social Affairs that “the 51,455 new applications at 30 September 2023 represented 93,602 people.” (ie. 1.81 people per application). The committee noted that “An additional 10,000 people in social housing are waiting to be transferred to a more suitable property.” – Legislative Council Legal and Social Issues Committee, *“Inquiry into rental affordability and the housing crisis in Victoria”*, Nov 2023 p.41

<sup>2</sup> Op cit, p.89

<sup>3</sup> Between March 2022 and March 2023, the social waiting list increased by 6.17% from 64,034 applications to 67,985 applications. The Legislative Council Committee on Legal and Social Affairs observed that “Victoria’s current rate of social housing allocation does not come close to meeting demand with the social housing waiting list being significantly larger than allocations.” Op cit. p 89

the VHR were in a priority category.<sup>4</sup> This means they are either experiencing homelessness, at risk of homelessness, or urgently need to move to access safer, more appropriate housing for their needs. This includes people who currently live in a social housing home which cannot be modified to meet their mobility needs and is presenting an active health risk to them.

Secure housing is an essential prerequisite for full participation in the community, whether it is via education, volunteering, or employment. Public housing is both more secure than community housing, and less expensive for the resident. (see table at Appendix 1). Public housing provided by the government for the community delivers the greatest security of tenure outside of home ownership<sup>5</sup> and is the most affordable form of rental housing. These policies and protections are safeguarded by oversight of the Ombudsman, and other bodies such as the Victorian Parliament (via the Public Accounts and Estimates Committee) and the Auditor-General. It is this security which allows residents to flourish.

The recent Parliamentary Inquiry into the Rental and Housing Affordability crisis recommended that Government construct an additional 60,000 new social housing dwellings by 2034, with 40,000 to be completed by 2028<sup>6</sup>. The Victorian Housing Peaks Alliance has similarly been advocating for an increase to Victoria's social housing stock by at least 60,000 properties for the last several years.

The VPTA estimates that if each of these 40,000 dwellings is home to 1.4 people<sup>7</sup>, implementing the recommendations could reduce the existing waiting list by 56,000 people - almost half.

The Housing Statement's plan to redevelop the high rise sites offers an opportunity to beneficially site a large number of these properties on land that is already owned by Government. This opportunity is unlikely to ever present itself again and is too good to pass up. The Government can make the Housing Statement work for current and future Victorians, by doubling the uplift in total public housing on these sites.

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<sup>4</sup> Homes Victoria, 'Applications on the Victorian Housing Register (VHR)', accessed online, 18 Dec 2023, <https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr>

The most recent published data is for June 2023, however VPTA expects that yet to be released Sept 2023 figures will show a greater percentage of priority applicants.

<sup>5</sup> Guy Johnstone, Rosanna Scutella, Yi-Ping Tseng and Gavin Wood, How do housing and labour markets affect individual homelessness? Housing Studies, 2018. The study found: "...public housing to be a very strong protective factor reducing risks of homelessness. Public housing is particularly effective because it is affordable. It has also traditionally offered a long-term, secure housing option for those at the bottom of the housing market. This is because public housing leases provide the benefits of security of tenure commonly associated with home ownership. Community housing on the other hand appears to not offer the same level of protection. These findings emerge despite community housing being affordable, however security of tenure is weaker because providers are more dependent on rent revenue, and therefore less tolerant of rental arrears."

<sup>6</sup> Legislative Council Legal and Social Issues Committee, 'The rental and housing affordability crisis in Victoria', November 2023, p.231, Recommendation 30.

<sup>7</sup> This is a conservative figure, noting that Homes Victoria figures provided to the Legislative Council Legal and Social Issues Committee, that 51,455 new applications at 30 September 2023 represented 93,602 people showed that 1.81 people were included in each VHR application.

### Recommendations:

1. Government should build at least 6,000 new social housing homes each year for 10 years (all of which are accessible to people with disabilities and with 10% of these reserved for Aboriginal Victorians). A significant proportion of these homes must be publicly owned and managed.
2. Government should also commit to lift the share of social housing in Victoria to at least the national average of 4.1%.
3. Government should commit to a 100 per cent uplift of the number of public housing on the high rise sites with the balance to be community housing properties and genuinely affordable housing for key workers.
4. Rule out the sale of any public land that is currently the site of a public housing home.

## Housing Asset Bond

In 2023 nearly half all requests for VPTA's assistance concerned the waiting list. Without an ongoing building pipeline, the current cost of living crisis will inevitably mean more Victorians seeking help to get a roof over their head. The 2021 Census results showed more than 1 million Australian homes were vacant, so there is a significant mismatch between community needs and the supply of housing.

Direct investment from Government will be necessary to drive the level of growth required. This can be supplemented by the introduction of mandatory inclusionary zoning policies. The Big Housing Build has provided a substantial injection of new community housing managed properties. The VPTA strongly believes that the next stage of growth should be focused on the public housing stock portfolio, while continuing to address the severe disadvantage experienced in First Nations communities by allocating a portion of new homes to Aboriginal Community Controlled Organisations – in line the Victorian Aboriginal Housing and Homelessness Framework, Mana-na Woorn-tyeen Maar-takoort (Every Aboriginal person has a home).

However, these homes will not appear overnight, an alternative is required to meet the growing and urgent demand for assistance which exists now.

As recently noted by the Social and Legal Affairs Committee, "The Victorians Government's two most recent major housing policy announcements – the Big Housing Build and the Housing Statement – both renewed commitment to head-leasing and spot-purchasing."<sup>8</sup>

The VPTA proposes an additional solution to bolster stocks in the short to medium term, by issuing Housing Asset Bonds ('HAB'). These can be used to pull privately owned stock into the public housing portfolio to house the thousands of Victorians who desperately need a home now. This initiative provides an avenue for existing property investors to incorporate their rental homes into Victoria's public housing stock portfolio for ten years, in return for a guaranteed rental income at a fixed rate of market rent plus one per cent.

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<sup>8</sup> Social and Legal Affairs Committee, 'The Rental and Housing Affordability Crisis in Victoria', p 194. The Housing statement includes commitments to spot purchasing (off the plan) and head leasing, and the BHB directed \$948m to spot purchase 1800 homes (1600 social housing & 200 affordable properties).

Homes Victoria would become responsible for management costs and maintenance. In return while private owners would continue to pay Council rates, without property administration risks such as gaps in tenancy. Properties would be returned to their owner in the state it was received, less reasonable wear and tear, as with a private lease.

Eligible properties would need to be:

- Owned prior to the announcement of the HAB, and
- Compliant with the minimum standards set out in the Residential Tenancies Act Regulations.

Homes Victoria could target the dwelling size and location of HAB property intake to meet the needs of the current waitlist. The cost of HAB properties to Government would be offset by the rent charged by Homes Victoria.

The recent initiative to strengthen and widen application of the vacant residential property tax is a welcome development. Tightening rules around this tax may also incentivise property owners to join the HAB program.

The HAB is not intended to replace long term investment in Government owned, public housing construction. It is recommended as a temporary solution, until the required homes are available.

Income generated from reforms to the Vacant Residential Land Tax could be applied to direct government investment in public housing construction once the HAB expires and offset the costs of the HAB in the short to medium term.

**Recommendation:**

5. The Government issue Housing Asset Bonds over a 10 year period to create an immediate pool of additional public housing properties, managed and maintained by Homes Victoria. Under this scheme existing property owners will receive guaranteed rental income at a fixed rate of market rent plus one per cent.

[Costing for this recommendation is in Appendix 2]

## 2. SUSTAINING COMMUNITIES, IMPROVING QUALITY OF LIFE

Residents of the 44 public housing towers slated for demolition and rebuilding under the Housing Statement must be protected and supported during the renewal of public housing. These residents have made their homes and built their lives on these estates and in public housing. While residents may welcome the idea of living in a new building, uncertainty, and lack of clarity about the redevelopment means they are insecure and do not know when or where they will move, or what conditions will apply to them.

It is vital that their tenancy conditions be maintained (wherever they live during the relocation), including public housing rental calculations and policies, and that they have a right of return to the new buildings as public housing renters.

Tenants must be able to access fully funded advocacy and support services to help them navigate their relocation and exercise their tenancy rights. Effective consultation mechanisms with vacating renters must be developed to inform rebuilding and community and place-making in the redeveloped sites. Any rebuilt housing must also include supporting community and social infrastructure, so that renters can readily access playgrounds, parkland, community support agencies, health services and resources to support their wellbeing.

Contrary to popular opinion, there are already examples of strong communities in public housing. While the renewal is underway, Government should ensure that these communities are supported to continue to function, as well as take the valuable opportunity to learn directly from renters about what works for them in their neighbourhoods so that this knowledge can be applied to the renewal process.

### Community as source of safety

Park Towers in South Melbourne provides a current example of how community building enriches the life of renters in high rise buildings.

Despite its name, Park Towers is a single 30-story building (completed in 1969 on a 1.21 hectare site after slum clearance by Housing Commission of Victoria).<sup>9</sup> The building in its nearly 60-year history has been the long-term home of many groups reflecting waves of immigration. Notable among the renters are the cohort older Russian speakers who have remained after raising their children at 332 Park Street, who as they vacate the units to move to aged care are being replaced by Sudanese, Somalian, Ethiopian and Eritrean residents, often with large families. Added to the mix are Vietnamese and Turkish speakers, residents with multiple disabilities and people living with AOD issues. Some residents, coming to Australia as refugees are living with multiple traumas. Many residents must deal with racism daily, and the

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<sup>9</sup> City of Port Phillip Heritage Review – Citation No. 2310 (Heritage Precinct Overlay HO3) – notes the building was once celebrated as an architectural showpiece and exemplar of load-bearing concrete panel building.



current cost of living pressures have negatively impacted the residents' already straitened financial circumstances.

Maintenance and safety issues have been a feature of living at Park Towers. Drugs, alcohol, instances of violence and anti-social behaviour centred on the Park Towers estate had developed over many years<sup>10</sup> making ordinary life difficult for the residents of the nearly 300 units in the building. These challenges have been exacerbated by the failure of the building's sewerage stacks, so that raw sewerage has flowed into residents' homes.<sup>11</sup> This catastrophic failure, added to the frustration of unresolved maintenance requests and inadequate cleaning, made living in Park Towers seem chaotic and out of control.

*"It takes 2 years to fix a door and 18 months for a broken toilet seat." [Park Towers Resident]*

The physical design of the building, with lifts that are not always reliable, adds to the difficulty of living alongside individuals exhibiting anti-social behaviour or episodes of mental ill-health. Residents report trying to avoid contact with unpleasant neighbours. Using the stairs (for those able to do so) can be very unpleasant, as stairwells are used to dump rubbish, as urinals and places to use drugs.

Park Towers is home, and its residents want it to feel like home. That means making it safe and secure and welcoming.

### Community building in action

Previously, the Department tried to facilitate community building to add amenity to the monolithic and unfriendly Park Towers. The building was home to the Community Capacity Building Initiative, funded to encourage participation in activities on the estate.

This program was followed by shorter term programs funding targeted at Covid-19 prevention and public health, including most recently, the Community Connector program.

A dedicated community development professional was employed to assist the residents of Park Towers build a community. This placemaking included renovation of the community hub (assisted by The Men's Shed, building shelving and fitting out the previously dilapidated area) with projection and sound equipment, to revitalise this previously underused space to be the site of many activities for residents. The community development worker was able to tap into existing local organisations to bring events and activities into the building, as well as to facilitate and promote activities generated by the residents for the residents.

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<sup>10</sup> <https://www.theage.com.au/national/victoria/shooting-in-south-melbourne-third-violent-incident-on-park-st-this-week-20181221-p50nl7.html>

<sup>11</sup> <https://www.southbanklocalnews.com.au/residents-of-high-rise-tower-plead-for-help-as-sewage-leak-overruns-building/>

This community development delivered activities and services for residents, such as regular events in the building as well as creating changes on the estate. The ground up community development has supported and fostered volunteer work to build the Park Towers community to make the changes they want to see in their neighbourhood.

A key change has been the volunteer-run food pantry established in the community hub, to help residents with the ever-rising impact of cost of living on their food budgets. This self-generated aid supports over 200 families make ends meet each fortnight and has developed partnerships with Foodbank, It's the Little Things, The Good Vibes, Port Phillip Community Group and Secondbite. It has been so successful, it has since expanded to support an additional four estates in the area and will soon be a registered Charity in it's own right.

Other programs and activities include:

- a pre-school breakfast club (supported by volunteer cooks living in the building)
- homework club
- Arts Bus visits
- Zumba exercise classes (for older residents),
- computer courses,
- film nights
- community and religious celebrations (for festivals like Hanukkah). The Hub has been used for christenings, weddings, and kids' birthday parties, and to bring the community together for an annual End of Year party.
- The Pollinator Corridor project developed a garden in the Park Towers grounds to attract pollinators (birds and insects) and beautify the towers.
- New outdoor gym equipment was added to the reserve.
- a Learn-to-play tennis program for Park Towers residents of all ages with the exclusive Albert Park Tennis Club (providing access for the first time to the often stigmatised residents of Park Towers.)
- Creation of volunteer run rubbish recycling<sup>12</sup> (the Recycling Trial project and deposit station).

Building a sense of community and pride in place has also made members of the community feel more connected to one another and safer.

*'Two of the walker mafia [non-English speaking older women who use walkers for mobility] came up to me last week and hugged me. They usually don't talk to anyone, because they don't really have anyone to talk to, but they hugged me and thanked me for working in the hub.'* [Community Hub volunteer and Park Towers Resident].

The development worker played a key role to help Park Towers residents liaise with the Department over issues such as security, cleaning and timing for communal area maintenance or changes. Park Towers residents had to endure unsanitary conditions before sewerage leaks were recognised and remediation began, stopping

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<sup>12</sup> Diverting over 118,000 L from landfill to November 2023.

the flow of waste leaking into units and common areas. This exacerbated distrust of and frustration with the Department's processes and procedures, as well as making residents feel helpless to keep their families safe.

The importance of the community building initiative operating at Park Towers cannot be overestimated. For minimal cost, it has achieved remarkable results. It has made residents' lives more comfortable, destigmatised residents and reduced stress. Residents can thrive not just survive in their public housing homes.

The positive results seen so far rely on a combination of residents volunteering and the consistent support provided by a community development worker dedicated to Park Towers. The significant and tangible benefits to residents cannot be maintained without continued support.

### Applying community building

This model of community development at Park Towers is a current example of what the Department can do to support residents living in public housing estates. The VPTA congratulates the Government for acting to improve the living conditions of its renters by committing in the Housing Statement to bring its properties up to current disability and amenity standards. Public housing residents should not be second class citizens. Equally the Victorian Government, as a social landlord, must recognise that it needs to commit to community building on all its estates.

Public housing tower estates can be hostile environments for young families, for disabled people and older residents with mobility issues, but the community at Park Towers has shown that it does not need to be this way. The commitment to redevelop all the tower estates over the next 27 years doesn't mean Government can or should ignore this reality.

Done well, a portfolio-wide community building program will demonstrate that the Department can 'walk the walk and talk the talk' as a social landlord while regenerating the portfolio. A meta-analysis of placemaking in public housing finds that community building/community development is particularly beneficial to public housing tenants<sup>13</sup>, noting that:

*"Involvement in local groups and events, including celebration days, community barbeques, food banks, classes, sports teams, faith or interest groups, youth or elderly programmes, and community gardens, helped to bring people together and make them feel part of the community."*

... and that public and shared spaces are particularly important for public housing tenants because *"their homes are often smaller, more crowded, and sometimes, less well-airconditioned than other housing"*.

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<sup>13</sup> E Chisholm, C Olin, E Randal, K Witten & P Howden-Chapman, *Placemaking and public housing: the state of knowledge and research priorities*, *Housing Studies*, 8 May 2023, <https://doi.org/10.1080/02673037.2023.2206799>. The study reviewed 63 English language journals, including studies in USA, UK and Australia and in context of estate regeneration.

The study concludes that:

*“Specifically, placemaking in the context of public housing can be supported by: policies that encourage long tenancies, to enable the time necessary to connect to people and place; ensuring the proximity of public housing to amenities and to well-maintained and safe public, shared and green spaces; ongoing funding for staff and resources for placemaking events and activities, and to connect people to other local activities; and, designs and rules that enable people to interact and to access and use public space as they wish, including to socialise.”*

Government can use the example of Park Towers to actively build communities on all its public housing estates. This requires dedicated community development workers and brokerage funds for resident groups to secure the services that work for their communities at each site.

The Interim Report of the Social Housing Regulatory Review calls for tenants to be at the centre of the public housing system and refers to the many participants of their consultation process as expressing a desire to see a much stronger focus on tenants.<sup>14</sup> Maintaining and expanding the work done by renters in their own community at Park Towers is one way that Government could lead the delivery of this.

**Recommendation:**

6. That government commit to community building (dedicated community development workers and brokerage funding) on all public housing estates.
7. If budget pressures do not allow a portfolio wide commitment, that Government:
  - a. re-invest in community building on Park Towers high rise estate to improve and sustain liveability and amenity for residents, and
  - b. implement the program as a pilot in two other representative estates – ie. An over-55 estate and in a multi-tower high rise estate.

[Costs for community building are included in **Appendix 3**]

## Addressing Energy Inequality

The 2023-24 Budget capital investment *Cooling our public housing towers (metropolitan)*, committed an investment of \$135.8 million to install air conditioners across high-rise towers.<sup>15</sup>

This program is very important for public housing residents. Eligibility for public housing is tightly rationed and public housing residents are sicker, poorer, and more vulnerable than most Victorians. This increases their reliance on and the importance of a comfortable stable home that they can afford to heat and cool within limited means.

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<sup>14</sup> Social Housing Regulatory Review Interim Report, p.11

<sup>15</sup> Department of Treasury and Finance, Budget Paper No. 4: 2023–24, p.128; Department of Treasury and Finance, Budget Paper No. 3: 2023–24, p.50.

In 2023, the VPTA surveyed social housing renters about their energy use and cost of living. Respondents<sup>16</sup> described what they do to get by:

*"I'm not having shower every day - only sometimes, switching off everything also power points after I use it. Saving gas, electricity, water, no quality of life, no driving to save petrol, no going out, no socialising - too costly, no hairdresser, no new clothes, no orthopaedic shoes, no physiotherapy, no hydrotherapy, no holiday, no cultural outings, etc. No quality of life"*

*"Air conditioner use for 30 minutes to warm/cool area then turn off.  
Food - try to buy only what I absolutely need, no luxuries."*

In this context the importance of continuing investment and accelerated delivery of the *Public Housing Cooling Program* cannot be overstated. By providing more comfortable housing and reducing the need for residents to pay for additional cooling, Victorian Government is recognising and performing its role as a social landlord.

*Victoria's Housing Statement -The decade ahead 2024-34* (released on 23 September 2023) announced an ambitious program to demolish and redevelop all 44 public housing towers by beginning with those in Flemington, North Melbourne and Carlton.

At the time of writing, no phasing or demolition schedule has been announced for the remaining towers. Simon Newport, CEO of Homes Victoria, in evidence to the Legislative Council confirmed that the towers are very cold in winter and very hot in summer.<sup>17</sup> It is inconceivable that the Department would, immediately after installing air-conditioning, demolish a refurbished tower building. Asset management and maintenance will be considered in the planning and preparation for tower refurbishment. Residents' comfort and the liveability within the tower properties must be foremost in any consideration. Nonetheless, the VPTA recognises that the entire quantum of the initial commitment will not be required.

We strongly urge Government to redirect these savings to improving the living conditions residents experience every day across the portfolio by installing solar panels on existing properties.

Existing public housing renters remain the last group of Victorians without an opportunity to access assistance for the installation of solar panels on their homes, despite these homes being some of the least thermally efficient housing stock.<sup>18</sup> Further, people who live in public housing spend more on energy than other Victorian households while also being the most at risk of experiencing energy hardship. A 2021 survey conducted on behalf of the Independent Social Housing Regulatory Review found that public housing participants ranked the cost of heating and cooling their homes as one of the most important features of a property and over 90% of those surveyed said their energy bills were one of their top three expenses.

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<sup>16</sup> VPTA Survey – July 2023

<sup>17</sup> Transcript of evidence, Legislative Council Committee on Social and Legal Affairs, 10 October, 2023, p 77.

<sup>18</sup> Australian Housing and Urban Research Institute, 'War, cool and energy-affordable housing policy solution for low income renters', 2020, p. 5.

In our recent survey we asked respondents what they would do with savings from their energy bills, if they had solar panels installed:

*"Heat my home in winter have a test to find my biological family."*

*"Spend it on better quality food and take my children out occasionally. "*

*"Have better quality food and buy other essentials like clothes. In winter my heater is on 24/7 due to my health and summer, the air conditioner is on most of the time during the day. Plus I have an air purifier that needs to be on 24/7 and running am an air compressor 24/7"*

*"Buy replacements for items I really need."*

*"I would love to have solar panels. The commission has built three units with them up the road. I would probably put it to food and utilities."*

We estimate that there are 23,461 existing public housing properties that are suitable for installation of rooftop solar panels, which could save each household up to \$535.49 per year in lower energy bills. If fully implemented, we expect that this would create 1,118 jobs.

**Recommendation:**

8. That savings from Cooling our public housing towers (metropolitan) be directed to maintenance of properties and improvements such as installation of solar panels on public housing properties to save renters up to \$535.49 per year.

### 3. OPPORTUNITIES TO IMPROVE SERVICE DELIVERY

#### Maintenance

The VPTA is aware of substantial efforts by the Department to address a significant backlog of maintenance jobs post-pandemic.

Despite efforts in response to an Ombudsman's enquiry<sup>19</sup> and a 2017 Victorian Auditor-General report, problems with responsive maintenance within public housing persist.<sup>20</sup>

Home is the place we all expect to be secure and comfortable. When something goes wrong at home, whether its minor or major, it's important to get it fixed as soon as possible. Residents tell the VPTA that they do not have any control or influence over what is done to keep their homes safe, secure and comfortable. They rely on the maintenance call centre, and the Department's processes to get the necessary contractors to their door, and contract management processes to make sure that the work is done to a suitable standard, i.e. That's it is the work that that they've requested be done, and it is done as soon as possible. Timely, efficient maintenance can be key to residents' well-being, comfort and feeling of control in their home.

*'Building maintenance is constantly an issue. There is a sewerage pipe leaking directly into the community room. This is our common space where families congregate and spend time. There are also no working lights in the bathrooms. We've reported it so many times.'*<sup>21</sup>

#### Maintenance delays/backlog

Residents report significant waits for calls to be answered by the maintenance call centre as well as delays in delivering maintenance jobs raised by the centre.

*"And I just again stress, every single dollar that is raised by that \$7.50 per \$100 paid will be sent to Homes Victoria to maintain housing and build new housing. So it's a direct link between a group of homes that can't be leased out, and aren't being leased out long term and those who can be, those that will be, so that is definitely about dealing with more housing choices, and more supply and better supply."*<sup>22</sup>

Daniel Andrews, former Premier, 21 September 2023.

The Government is to be congratulated on the proposed introduction of the 7.5% Short-Stay Levy and its commitment to devote funds raised to Homes Victoria to support social housing. There are also some practical steps that Government can take to improve maintenance outcomes for renters.

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<sup>19</sup> Ombudsman, 'Investigation into the management of maintenance claims against public housing tenants', 30 October, 2017

<sup>20</sup> Nearly one third of calls to VPTA in 2023 were due to maintenance problems.

<sup>21</sup> Renter, VPTA Listening Tour, August, 2023

<sup>22</sup> Dan Andrews, Press Conference, 21.9.23 – Transcript from Nine News

*“Everyone deserves access to safe and secure shelter without having to jump through hoops to ensure essential maintenance is done.”*<sup>23</sup> Chris Minns, Premier of NSW

Recently the NSW Government recognised the importance of prompt and effective maintenance of public housing stock for residents wellbeing and reversed the privatisation of this core landlord function to improve liveability for residents. The NSW Government stated that *“for too long residents have had to navigate a heavily bureaucratic and confusing system to have basic maintenance requests addressed. This announcement is a strong step in the right direction to creating processes that put people first.”* The VPTA urges the Victorian Government to act decisively to fix the well-known issues and significant issues in public housing maintenance by bringing all maintenance functions back within the Victorian Public Service.

Government has already developed a strong plan to further equality in of *Our equal state: Victoria’s gender equality strategy and action plan 2023-27*<sup>24</sup>. Maintenance of the public housing portfolio provides opportunities for women studying building, carpentry, electrical, air-conditioning, and other non-traditionally female trade skills to apply those skills. Government can ensure access to public housing maintenance or asset management work by group traineeship schemes as a mandatory contract condition.

A pool of women in these workforces would also benefit victims of trauma (e.g. family violence victim-survivors). These residents who may be loath to admit an unknown man to their home should be able to request a female contractor. Applying positive affirmative action in maintenance contracts would provide a tangible benefit to public housing residents and trade trainees, while advancing government priorities.

### Information access

Lack of communication from tradespeople to residents is a consistent theme of contacts with VPTA about maintenance. A recent pilot of digital maintenance logging at a newly constructed building at Markham Place, has demonstrated that using digital tools can minimise delays for digitally confident housing residents.

Under this limited pilot residents could log a maintenance job, but the trial did not include the maintenance contractor’s systems. This meant residents had no information about when a tradesperson would attend. (Some older residents will not be comfortable with this and so continued improvements to the maintenance call centre are needed.)

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<sup>23</sup> Chris Minns, NSW Premier, announcing return of maintenance management to Homes NSW, 13.11.2023 <https://www.dpie.nsw.gov.au/land-and-housing-corporation/news/back-to-basics-bringing-the-social-housing-maintenance-call-centre-back-in-public-hands-for-better-support-and-more-local-jobs>, accessed 10 Jan 2023.

<sup>24</sup> <https://www.vic.gov.au/our-equal-state-victorias-gender-equality-strategy-and-action-plan-2023-2027/our-actions>, accessed 11 Jan, 2024. Item 58 requires the development and implementation of a new Women in construction strategy 2023-31. Item 7, supports cultural change to “explore ways to embed gender equality across the VET-TAFE system to improve outcomes for women in vocational education and training, including strategies to increase proportion of women in sectors that traditionally have lower female representation.”



This promising pilot should be expanded, with additional technical capacity for contact information added, and SMS notifications to renters updating them on the status of their logged job.

### Quality control

Maintenance work that is done badly creates more work and expense for the Department, as well as discomfort and anger for residents. Rework, and shoddy work are common. Residents report that maintenance contractors leave work unfinished, provide no information about when they will return to complete work, and often residents must log another job with the call centre for a task to be completed.

Residents report being gaslit by contractors – who claim that a job has been completed, when it has not. This forces residents to contact already overworked HSOs to manage what should be straightforward repairs.

*“I had an old heating unit removed from my place. It left a huge hole in the wall for 7 months and I was unable to heat or cool my house.”<sup>25</sup>*

Shoddy work and poor quality maintenance also arises from poor contract management, lack of attention to the voice of the renter, and a dearth of empathy by those charged with managing maintenance contracts. Continued sub-standard maintenance reduces the value and useful life of the housing stock, compounding the historical underinvestment in these assets.

Investing in fixing these issues now will pay significant dividends for existing and future residents and preserve these publicly owned assets for the people of Victoria.

### Recommendations:

9. Maintenance call centre institutes efficiency measures including:
  - A call back facility (ensuring that the recipient is notified that the call is from the Maintenance Call Centre, i.e. not an anonymous call back)
  - Expand and improve the pilot program to allow maintenance jobs to be logged online, including by adding capability for text message notifications of the tradesperson booking information – including the expected arrival time, company name, tradesperson name, job number, and any other relevant information.
  - That the call centre facilitates resident’s requests for a female tradesperson.
10. The Victorian Government should seek to have public housing maintenance re-absorbed by a public sector workforce, by directly employing contractors and trades to perform work.
11. In the alternative, at minimum it is recommended that Homes Victoria institute formal contract management and contract review of any existing or proposed maintenance contracts. This must include inserting more stringent performance quality and time standards in all public housing maintenance contracts. That this contract review includes

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<sup>25</sup> Renter, VCOSS, *Voices of Victoria Listening Tour*, August 2023

requirements for employment of a more diverse workforce to facilitate gender equity, and greater support for female participation in non-traditional trades.

## Workloads

Homes Victoria has a special and important role as a social landlord. The Department articulates this as:

*“In making decisions on behalf of the Director, the department has obligations beyond just tenancy management and should contribute to tenant wellbeing. This is done by setting rents at affordable levels, promoting tenant wellbeing and participation, neighbourhood upkeep and community vitality. Further as a social landlord the Director is to ensure that the department allocates tenancies in public housing while having regard to the relative housing needs of eligible applicants and by making client focused decisions with regards to human rights.”<sup>26</sup>*

The social landlord principles reflect the core fact that housing is a human right.

Housing Service Officers (HSOs) and staff working in the maintenance call centre are public housing renters’ only points of contact with the Department. HSOs must model and represent these social landlord principles while considering the range of factors which may be limiting the resident’s ability to manage their tenancy. Instead of just being property managers, they must be alive to the difficulties that may arise due to a resident’s background, history of trauma, their disability, and the effects of cross-sectoral disadvantage, as they interact with and make decisions about resident’s tenancy.

These are not ordinary public sector jobs, and it’s not just managing public assets within guidelines set by government.

Despite the complexity of this work, HSOs have large client loads. According to the Victorian Ombudsman *“Community Housing Industry Association Victoria (‘CHIA Vic’), said community housing organisations had a ratio of about one tenancy worker per 120 properties. The ratio in public housing was closer to one per 300.”<sup>27</sup>* The Ombudsman then calculated that if housing staff manage 230 tenancies per year, they would only have 10.3 minutes per week to manage each tenancy.<sup>28</sup>

Anecdotally, the VPTA is aware of significant workload stress on HSOs and call centre workers as they support the continuing tenancies of renters in public properties. This creates significant delays and unsatisfactory outcomes for residents and applicants for properties.

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<sup>26</sup> DFFH, ‘Public Housing Allocations Operational Guideline, Chapter 1: Legislative framework and decision making principles’, Version 3, 1 Jan 2019, p.6

<sup>27</sup> Victorian Ombudsman, Investigation into complaint handling in the Victorian social housing sector, July 2022 Para 12, p.7.

<sup>28</sup> Op cit, para 390, p.83.

The Public Accounts and Estimates Committee found *“Average waiting time for public rental housing for clients who have received a priority access housing or priority transfer allocation due to family violence’—is expected to reach 20.2 months in 2022–23, from a target of 10.5 months”*<sup>29</sup> with other priority clients waiting 16.5 months.<sup>30</sup>

These are averages. The VPTA is also aware of significant delays in processing applications to the VHR, so that even priority applications take between 1-6 months to complete. This creates a further ‘shadow’ waiting list and is exacerbated by the lack of staff to complete the work.

The large number of prospective residents, combined with the lack of stock to house them, and the multiple considerations that must be factored into offers makes the work of all housing staff difficult.

The VPTA is aware that HSOs are under significant stress as demands on them to manage limited housing stock, with poor maintenance contracts and no additional support, increase. The VPTA understands that HSO’s are spending ever greater proportions of their working day following up on what should have been routine maintenance tasks that have been mismanaged or not done as expected by contractors. Instead of being able to rely on professional services provided by competent third parties, it has been reported to the VPTA that HSO’s are spending up to 40% of their working day trying to ensure that day to day maintenance is performed and residents’ homes remain liveable.

**Recommendation:**

12. That the Victorian Government invest in additional HSO staff with a view to halving the number of properties each HSO manages. (i.e. from 300 properties to 150)

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<sup>29</sup> Public Accounts and Estimates Committee, Report on the 2023-24 Budget Estimates, p.113

<sup>30</sup> Ibid.

## 4. RISING TO MEET OUR ECONOMIC CHALLENGES

### Cost of living

Cost of living pressures have been front of mind for many Victorians, especially those on constrained incomes, such as people living in public housing. Any policy adjustments or budget commitments made in this climate must be framed to assist Victorians on low incomes.

#### Impacts on Public Housing Renters

Results of our 2023 survey about the cost of living were shocking.

Overwhelmingly, participants told us that they are drastically cutting back on essentials in order to make ends meet, including buying less food, choosing food that doesn't need to be cooked, limiting showers, and not filling scripts for essential medicines.

When people are buying food, they are often relying on credit to do so, and falling into consumer debt to feed their family.

When asked what they would spend more on if their household had an extra \$500 per year, they said:

*"Heat the house - buy better food, like avocados and things rich people eat."*

*"It would go toward a wheelchair and other disability equipment."*

*"Would be able to use heater & air conditioner buy food that have been cutting back on."*

*"Have more affordable food."*

*"The money would go to help pay for medications I require that are not on the PBS and also the running costs of my CPAP machine along with other medical needs... As I require orthotics, this would allow me to get another pair of suitable shoes."*

*"Improve diet, seek medical care sooner and get new glasses."*

*"I would be able to relax a little when buying food and have an occasional steak which would be nice. With the rest of the money I would keep in the bank for emergencies."*

*"It would help me to not go into debt with the electricity and gas company."*

*"Obviously put it towards heating costs and food."*

*"Buy replacements for items I really need."*

We note that the Victorian Council of Social Services has made a number of recommendations for positive actions that the Victorian Government could take to alleviate cost of living pressures for Victorians.

The VPTA urges Government to accept these recommendations and implement them urgently.

The VPTA also recommends Government takes specific action to address cost of living issues for public housing renters, in particular by acting on the VPTA's recommendations regarding solar power for public housing renters.

**Recommendation:**

13. That the Victorian Government accept earlier recommendations from the VPTA to install solar panels on some existing public housing properties to address cost of living concerns for Victorian public housing renters.

## Supporting Tenancy Sustainment

### The VPTA's base funding

The VPTA recognizes the difficulties presented by recent shifts in the Australian economy and the impact that this has on Government funding for services.

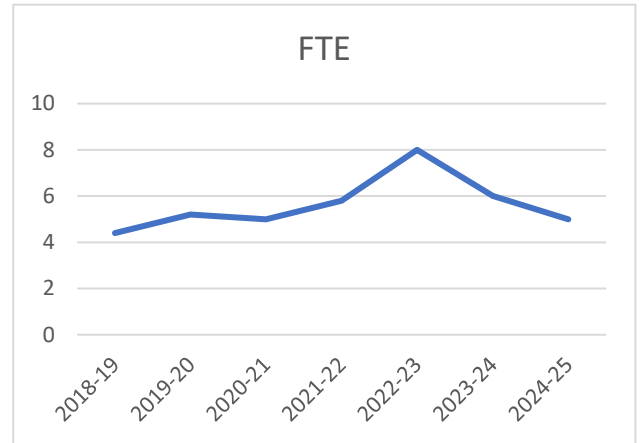
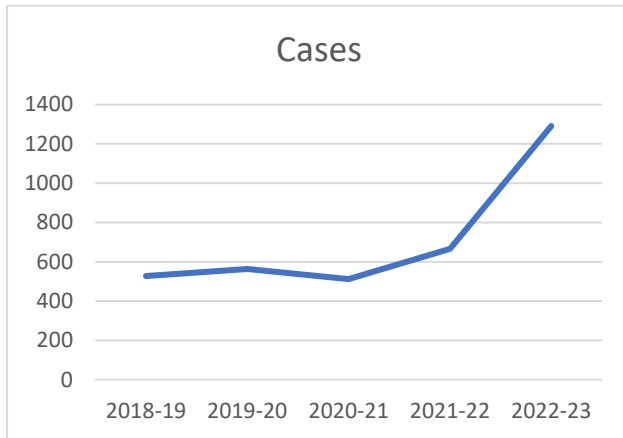
Investment in services like the VPTA benefits both Government and public housing residents. In 2022-23, our team assisted in more than 1,291 unique issues to help social housing renters sustain tenancies or to access social housing for the first time. The VPTA works collaboratively with HSOs to help the Department live up to its social landlord principles and to streamline the resolution of difficult issues.

After many years of under-funding, the VPTA began to use meagre savings to resource additional staff to meet renter demand in 2020. Subsequently, demand for the VPTA's services has only continued to grow.

This temporary workaround will no longer be viable from 2024-25 onwards, and without an increase to our base funding, the VPTA will have no option but to reduce its services to renters and applicants on the Victorian Housing Register.

We applaud the work to introduce the *Fair Jobs Code* and a new, more appropriate, indexation formula. While addressing historical issues associated with indexation will go some way to maintaining the real value of funding over time, this will not address the current core funding gap.

Demand has continued to grow substantially over several years. In the last twelve months the number of cases managed by the VPTA's team of Tenant Advocates effectively doubled.



Despite this, the VPTA’s full-time equivalent (FTE) staff has decreased.

In the 2022-23 year the total VPTA FTE count was eight, compared to 6 FTE in 2023-24. The graph below shows the effect on VPTA FTE over time if base funding arrangements do not change.

To maintain and grow expertise, and create a desirable and secure workplace, the VPTA would prefer to offer ongoing staff positions. However, the ongoing funding uncertainty prevents us from being able to do this. If base funding is not urgently increased, the VPTA will be forced to cut staff as terms end.

The VPTA seeks additional base funding to sustain six FTE frontline advocacy staff.

### Renew the Aboriginal and Torres Strait Islander Tenant Advocate program

In late 2021, Homes Victoria granted the VPTA 12 months of funding to pilot two identified roles for the Aboriginal and/or Torres Strait Islander Tenant Advocate program.

For the first time Aboriginal and/or Torres Strait Islander Victorians could access a culturally safe, free and independent service, and obtain advice regarding the Victorian Housing Register and social housing tenancies delivered independently from any residential rental provider.

This is in line with the goals of Mana-na Woorn-tyeen Maar-takoort (Every Aboriginal Person Has a Home), the Victorian Aboriginal Housing and Homelessness Framework.

Demand for these services was substantial and there is a clear and urgent need for this service to continue.

The VPTA is seeking a permanent increase in organisational funding so that this important work can continue. This ongoing funding for the Aboriginal and Torres Strait Islander Tenant Advocate program will ensure all social housing renters have access to culturally safe, free, and independent advice and assistance.

## Supporting community housing residents

At the same time as pressure on our resources has increased, the need for services has grown with an increasing demand from renters in community housing.

The Victorian Government, like other jurisdictions, has taken the opportunity afforded by Commonwealth Rent Assistance payments to support diverse types of housing. The housing mix now available to disadvantaged Victorians includes that provided by a range of community housing providers, as well as state owned and community managed affordable housing.

Victoria has taken a leadership role through its early commitment to the Big Housing Build which will result in 30 per cent of Victoria's social housing under management by the community housing sector. However, the community sector has not yet been supported to adapt to ensure that all renters have equal access to impartial and free advice to maintain their tenancies.

Social housing renters are vulnerable. Community housing renters do not have ready access to dispute resolution, nor an expert advocate to help them manage and maintain their tenancies and exercise their rental rights. As noted by the Ombudsman, the "[complaint handling] landscape for community housing renters is a 'patchwork' where experiences vary greatly".<sup>31</sup> The Ombudsman urged government to provide direct investment to improving complaint systems as this would "lead to real, long-overdue improvements in tenancy management services and renter satisfaction."

*"I'm a psychologist but mostly people don't need psychology, they need housing. Then they would have a lot fewer issues to deal with. Housing problems make physical and mental health things so much worse." – Community member, Leongatha Community House<sup>32</sup>*

Homelessness is expensive for governments and individuals, as shown by the recent New South Wales *Pathways to Homelessness* Report, which used data matching to calculate that those who use Specialist Homelessness Services cost the government nearly four times more than other members of the NSW population, despite the fact that only nine per cent of these costs were directly related to homelessness and housing.<sup>33</sup>

As Victorians adapt to the new housing mix, the Government must ensure community housing renters are supported to understand and exercise their rights.

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<sup>31</sup> Ombudsman, 'Investigation into complaint handling the Victorian social housing sector', 7 July, 2022, introduction,

<sup>32</sup> VCOSS, Voices of Victoria Listening Tour 2023, August 2023, p.38.

<sup>33</sup> Data set analysis undertaken by an analytics and actuarial consultancy for NSW Department of Communities and Justice examine the government services used before during and after experiencing homelessness. Taylor and Fry, *Pathways to Homelessness*, December 2021.  
<https://www.facs.nsw.gov.au/reforms/homelessness/prevention-and-early-intervention/pathways-to-homelessness>

Funding the VPTA to do this work would have the dual benefits of leveraging our housing and tenancy expertise to benefit vulnerable Victorians, while creating a knowledge base to further improve service delivery in the social housing sector. Additional funding to allow the VPTA to meet the demand of all its clientele would demonstrate that Government is committed to being a social landlord and promote equity between the social housing tenures.

**Recommendation:**

14. That Government provide ongoing funding to the VPTA to support community and public housing renters by:
  - a. Retaining 6 FTE frontline tenant advocacy staff to maintain base services
  - b. Renewing the Aboriginal and Torres Strait Islander Tenant Advocate Program
  - c. Expanding the formal remit of the VPTA to include community housing renters, and funding an additional 4.4 FTE frontline tenant advocacy staff to assist community housing renters to properly resource this work.

## Pilot a Public Housing Renters Forum

The VPTA often hears from residents that they want an opportunity to share notes, ideas and experiences of living in public housing. The VPTA proposes to fulfill this desire by holding a Public Housing Renters Forum. This would be a free, one day event catering to approximately 100 Victorian public housing renters. Its aim will be to bring people together, and to provide opportunities for renters to hear from and ask questions of key Government agencies and officials, hear from relevant community sector agencies, as well as learn and be inspired by each other's achievements.

Structured like a traditional conference, the day would include blocks of plenary and concurrent sessions.

The Public Housing Renters Forum would develop knowledge and community among residents and meet their need to learn from one another.

**Recommendation:**

15. Provide funding for the VPTA to pilot a Public Housing Renters Forum.

## CONCLUSION

Thank you for considering the proposals in this Budget Submission.

The VPTA considers that making these modest changes will drive substantial improvements in both experience and quality of life for current and future social housing renters of all types.

We would welcome an opportunity to discuss these proposals with you further, and encourage you to contact us via email ([kbutterss@vpta.org.au](mailto:kbutterss@vpta.org.au)) to arrange a suitable time.

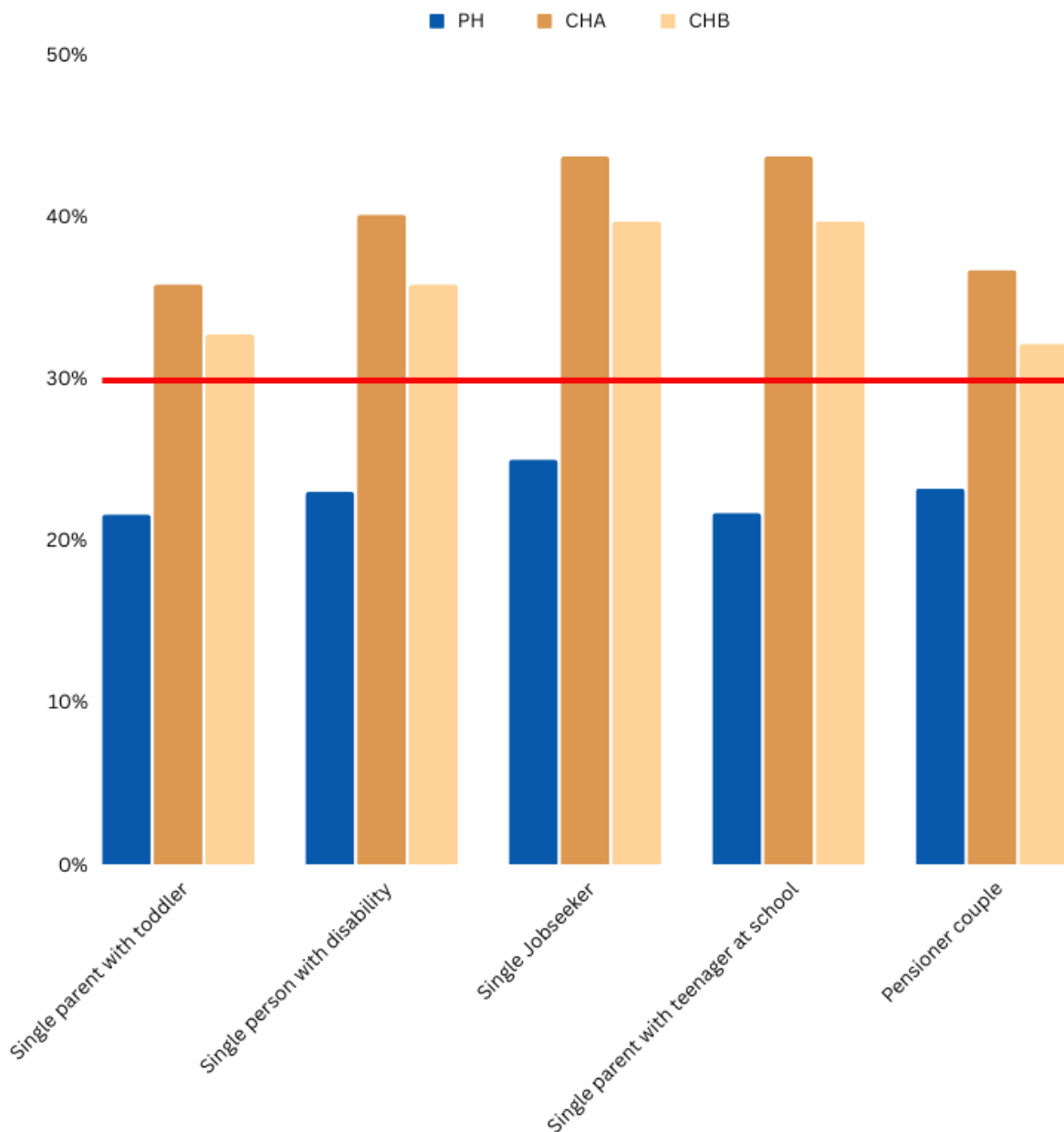


## SUMMARY OF RECOMMENDATIONS

1. Government should build at least 6,000 new social housing homes each year for 10 years (all of which are accessible to people with disabilities and with 10% of these reserved for Aboriginal Victorians). A significant proportion of these homes must be publicly owned and managed.
2. Government should also commit to lift the share of social housing in Victoria to at least the national average of 4.1%.
3. Government should commit to a 100 per cent uplift of the number of public housing on the high rise sites with the balance to be community housing properties and genuinely affordable housing for key workers.
4. Rule out the sale of any public land that is currently the site of a public housing home.
5. The Government issue Housing Asset Bonds over a 10 year period to create an immediate pool of additional public housing properties, managed and maintained by Homes Victoria. Under this scheme existing property owners will receive guaranteed rental income at a fixed rate of market rent plus one per cent. [Costing for this recommendation is in **Appendix 2**].
6. That government commit to community building (dedicated community development workers and brokerage funding) on all public housing estates.
7. If budget pressures do not allow a portfolio wide commitment, that Government:
  - a. Re-invest in community building on Park Towers high rise estate to improve and sustain liveability and amenity for residents, and
  - b. Implement the program as a pilot in two other representative estates – ie. An over-55 estate and in a multi-tower high rise estate. [Costs for community building are included in **Appendix 3**]
8. That savings from *Cooling our public housing towers (metropolitan)* be directed to maintenance of properties and improvements such as installation of solar panels on public housing properties to save renters up to \$535.49 per year.
9. Maintenance call centre institutes efficiency measures including:
  - A call back facility (ensuring that the recipient is notified that the call is from the Maintenance Call Centre, i.e. not an anonymous call back)
  - Expand and improve the pilot program to allow maintenance jobs to be logged online, including by adding capability for text message notifications of the tradesperson booking information – including the expected arrival time, company name, tradesperson name, job number, and any other relevant information.
  - That the call centre facilitates resident's requests for a female tradesperson.
10. The Victorian Government should seek to have public housing maintenance re-absorbed by a public sector workforce, by directly employing contractors and trades to perform work.
11. In the alternative, at minimum it is recommended that Homes Victoria institute formal contract management and contract review of any existing or proposed maintenance contracts. This must include inserting more stringent performance quality and time standards in all public housing maintenance contracts. That this contract review includes

- requirements for employment of a more diverse workforce to facilitate gender equity, and greater support for female participation in non-traditional trades.
12. That the Victorian Government invest in additional HSO staff with a view to halving the number of properties each HSO manages. (i.e. from 300 properties to 150).
  13. That the Victorian Government accept earlier recommendations from the VPTA to install solar panels on some existing public housing properties to address cost of living concerns for Victorian public housing renters.
  14. That Government provide ongoing funding to the VPTA to support community and public housing renters by:
    - a. Retaining 6 FTE frontline tenant advocacy staff to maintain base services
    - b. Renewing the Aboriginal and Torres Strait Islander Tenant Advocate Program
    - c. Expanding the formal remit of the VPTA to include community housing renters, and funding an additional 4.4 FTE frontline tenant advocacy staff to assist community housing renters to properly resource this work.
  15. Provide funding for the VPTA to pilot a Public Housing Renters Forum.

## Appendix 1 - Effects on household budgets of Public Housing and Community Housing rent calculations



### Notes:

CHA – Community Housing rent calculation method A (30% of assessable base income + 15% of child related payments + CRA)

CHB – community Housing rent calculation method B (25% of assessable base income + 15% of child related payments + CRA)

CRA – Commonwealth Rent Assistance, public housing renters are not eligible to receive this payment, and therefore their total income is lower.

The line at 30% is highlighted, to reflect the point that households fall into technical housing stress. It has been assumed that each household is receiving the maximum amount of CRA for the purposes of these calculations.

PH – public housing (25% of assessable base income + 15% of child related payments).

## Appendix 2 - Housing Asset Bond costing

Table 1:

### Household income and rebated rent amounts<sup>34</sup>

	Household A	Household B	Household C	Household D
	Single person, 42 years old	Couple, 70 and 75 years old	Single parent, 1 5 year old, 1 10 year old	Single parent, 1 child, 16 years old, studying full time
<b>Base Payment</b>	Jobseeker	Age pension	Parenting Payment	Jobseeker
	\$749.20	\$1,511.40	\$970.20	\$802.50
<b>Energy Supplement</b>	\$8.80	\$21.20	\$12	\$9.50
<b>Pension Supplement</b>	n/a	\$120.80	\$27.80	n/a
<b>FBT A</b>	n/a	n/a	\$426.72 (assumes maximum rate per child, excludes supplement)	\$277.48
<b>FBT B</b>	n/a	n/a	\$181.44 for 5 year old \$126.56 for 10 year old	\$126.56
<b>Total</b>	\$758	\$1653.40	\$1,744.72	\$1,216.04
<b>Rebated rent (fortnightly) amount (25% of gross assessable income + 15% of child related payments)</b>	\$189.50	Excludes pension supplement \$383.15	Excludes pension supplement \$245.55 + \$110.20 = \$355.75	\$203.00 + \$60.61 = \$263.61
<b>Annual rebated rent</b>	\$4,927	\$9,961.90	\$9,249.50	\$6,853.86

Table 2: Weekly median rent by LGA and property size<sup>35</sup>

	Shepparton	Brimbank	Melbourne
<b>1 bed</b>	\$230	\$305	\$480
<b>2 bed</b>	\$350	\$385	\$680
<b>3 bed</b>	\$420	\$430	\$950

<sup>34</sup> Assumptions: Pension Supplement is excluded from gross assessable income, families receive maximum amount of FBT A and FBT B, families receive no child support, household has no rental or maintenance debt, excludes FBT supplement amounts.

<sup>35</sup> Source – DFFH, Tables from Rental Report September 2023 quarter, <https://www.dffh.vic.gov.au/publications/rentalreport>

**Table 3: Total annual cost to Government, per property type<sup>36</sup>**

	Shepparton	Brimbank	Melbourne
<b>1 bed</b>	\$12,079.60	\$16,018.60	\$25,209.60
<b>2 bed</b>	\$18,382.00	\$20,220.20	\$35,713.60
<b>3 bed</b>	\$22,058.40	\$22,583.60	\$49,400.00

**Table 4: Total annual cost to Government, per household type and location<sup>37</sup>**

	Shepparton	Brimbank	Melbourne
Household A	\$7,152.60	\$11,091.60	\$20,282.60
Household B	\$2,117.70	\$6,056.70	\$15,247.70
Household C	\$12,808.90	\$13,334.10	\$40,150.50
Household D	\$11,528.14	\$13,366.34	\$28,859.74

**Average cost per home, per year<sup>38</sup>:** \$11,304.61 (plus responsive maintenance costs)

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<sup>36</sup> Annual market rent + 1%

<sup>37</sup> Property size determined by public housing allocations guidelines. Annual cost to Government = annual market rent + 1% (per table 3) less the amount of rebated rent charges to the household (per table 1)

<sup>38</sup> Assumes owners continue to pay rates but meet no other expenses.

## Appendix 3 - Building our Communities

### Community Building- Costs per public housing estate

Annual cost	24/25	25/26	26/27	Total
Staffing (1 FTE -SCHADS 6.3 &1 FTE SCHADS 4.3), including 30% organisation overheads	\$259,152.02	\$287,928.33	\$287,928.33	\$835,008.69
Running costs	\$53,000.00	\$53,000.00	\$53,000.00	\$159,000.00
<b>Subtotal</b>				
<b>Establishment cost</b>				\$27,000.00
<b>Total</b>				<b>\$1,021,008.69</b>

### Community Building – 3 estates pilot (24/25 – 26/27)

Program cost (as above)	\$3,063,026.07
Evaluation of pilot	60,000.00
<b>Total</b>	<b>\$3,123,026.07</b>