



Submission to the Family and Community Development  
Committee of the Parliament of Victoria.

***Inquiry into the Adequacy and Future Directions of Public Housing in  
Victoria.***

**February 2010**

**Introduction.**

Ensuring housing for everyone is a key issue for all governments. A lack of affordable housing has wide reaching consequences for individuals and communities, impacting on the character, makeup and mix of a community as well as personal and family health, wellbeing and opportunities to participate in community life.

Article twenty five of the Universal Declaration of Human Rights states that:

*Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.<sup>1</sup>*

A Fairer Victoria recognises that

*Access to affordable housing is critical to reducing disadvantage, improving Victorians' sense of wellbeing and maintaining the social fabric of our communities. Affordable housing provides the basis for completing a sound education, obtaining and holding on to employment and maintaining good health. It also underpins the stability of communities and local and regional economies<sup>2</sup>*

Affordable housing has emerged as a key issue for Federal, State and Local Governments because, among other factors;

- housing is now less affordable than any other time in our recent history,
- building of new houses is not able to keep up with demand/population growth and there is therefore an increasing gap between housing supply and housing demand.
- the private rental market is becoming increasingly inaccessible to low income households, and
- housing costs are rising faster than incomes.

The lack of affordable housing is also clearly linked to supply –acting to both reduce the range of housing options available on the market and to drive up prices in response to increasing demand. The longer term affect of this dynamic is that more people are precluded from housing purchase and locked in to private rental. When this option also fails, pressure is put on the range of social and even more impermanent housing options – including rooming houses and boarding houses. Risk of homelessness becomes more likely as these options also become less available and individuals and households are forced into transient and precarious lifestyles.

Recent research by the Australian Housing and Urban Research Institute (AHURI) has confirmed the link between housing insecurity, lack of personal safety, lack of supportive relationships, lack of connection to the local community and mental and physical health issues.<sup>3</sup>

Council plays an important role in improving tenant safety and linking low income renters and people in insecure housing to community. Alongside efforts to increase

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<sup>1</sup> *Universal Declaration of Human Rights*, G.A. res. 217A (III), U.N. Doc A/810 at 71 (1948). – Article 25

<sup>2</sup> Government of Victoria (2005), *A Fairer Victoria*

<sup>3</sup> AHURI (2009) *Housing Insecurity and its link to the social inclusion agenda*

affordable housing, activities that support people in housing stress and insecure housing and build community capacity and resilience are vital.

The City of Darebin is developing an Integrated Housing Strategy to bring together a Council housing position and action plan for the next four years. This plan seeks to contribute a social justice and 'people' perspective to support and enhance an integrated housing approach across the spectrum of council roles in housing.

Council believes that making the links between affordable housing, housing stress, homelessness, mental health, social wellbeing, economic participation and social connectedness is critical for developing and maintaining strong vibrant communities and an inclusive society. Public Housing is a vital part of local housing systems and is the most important response to housing stress among low income individuals and families.

The City of Darebin draft action strategy has been developed as part of Councils Promise to *strive in all that we do to achieve fairness, through innovative and progressive leadership that reflects and respects our diverse community.* (Council Plan 2009-2013)

Darebin City Council strongly supports the retention and expansion of public housing stock within the city as a vital part of the systems that respond to the housing needs of our residents.

Council is aware of policy shifts over the last five years towards provision of social housing through a network of non-government Affordable Housing Associations and Providers. Council understands the value that these organisations bring to the public housing sector and the efficiencies gained in the United Kingdom through application of a similar model. However Council takes this opportunity to support the ongoing and expanded provision of public housing administered directly through the state. Council strongly opposes growth in Affordable and Social Housing through non government organisations at the expense of a reduction in state administered public housing.

### **Housing demand in Darebin**

At the 2006 census Darebin had a:

- population of 128,087 people
- total of 51,471 occupied private dwellings
- total of 3,798 unoccupied private dwellings
- total of households 48,581
- median weekly rent \$185
- median monthly housing loan repayment \$1,350
- 80% of households had people with the same address 1 year earlier
- 57% of households had people with the same address as 5 years earlier

Population projections

- At 30<sup>th</sup> June 2008 the estimated Darebin population was 137,360. This is an increase of 9,273 people since the 2006 census.<sup>4</sup>
- The population projections to 2026 estimated Darebin will have a steady increase reaching an estimated 154,487 people in 2026. This is an

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<sup>4</sup> Regional population growth Australia 2007-08

increase of approximately 18,258 people (calculated from a 2008 population of 136 229 which is less than the current estimate for 2008). This does not take into account, however, the likely much stronger growth driven by intensification of housing.

Housing demand is defined as the amount of housing that will be desired based on a number of variables such as population growth, socio-economic characteristics and location attributes. A recent study<sup>5</sup> reports a net dwelling requirement increase of 11,283 to 2026.<sup>6</sup>

- Office of Housing has currently estimated that the current need in Darebin for affordable housing is 1500 units - 400 accessible single bedroom units, 600 single units, and 500 2-3 bedroom units.
- Current wait list for the Office of Housing (Preston office) has a total of 3,019 people waiting for public housing. The Broadmeadows office, which also services Darebin has a waiting list of 3088. The total wait list for the North West was 15,153.

Darebin data from the 2006 census shows that there are some 41,000 individuals over 15 years of age with a weekly income which is below \$319 or below 80% of the median income. There are some 18,000 households in Darebin who receive less than \$724 or less than 80% of the median household weekly income. These individuals and or households are vulnerable to housing stress if they spend more than 30% of their income on housing.

Available census data reports an estimated 4,700 households in Darebin are in rental housing stress. This is considered an underestimation of households in Darebin experiencing housing stress as the number of low income households in housing stress through mortgage payments is unknown.

In addition in the order of 9,700 households are at risk of housing stress as, while they may not be low income earners, they are paying more than 30% of their income on housing costs.

### **Public Housing Waiting Lists.**

Council supports proposed improvements to the current Segmented Waiting List system, and is generally supportive of the idea that priority should be given to homeless singles and families . The current system has become onerous for workers and applicants. The existence of a waiting list in the first place, and particularly the segmentation of that list would be unnecessary if there were an adequate supply of public housing.

The built form of public housing should contribute to the creation of diverse and sustainable communities made up of a mix of income and family types. The development and management of any segmentation of the waiting list should not take away from the positive effects of socially diverse communities.

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<sup>5</sup> SGS Economics and Planning (2009) "Capacity Assessments Study in Darebin"

<sup>6</sup> Victoria in future 2008 – first release (revised) Projection of Estimated Resident Population (ERP) Local Government Areas – Metropolitan Melbourne

As a matter of principal, public housing should go to those in greatest need, but should be provided in a way that is sympathetic to the built form and social mix of the neighbourhood. Support commensurate to the need of tenants must be always be provided.

### **Security of tenure**

Security of tenure is a crucial part of any public housing system, and must be maintained. It allows people the ability to have a sense of inclusion and allows people to feel safe, settled, and a part of the community. It takes away the fear of eviction and allows people to make a “home” with all the positive aspects that this encompasses. It changes people’s lives.

In this light, public housing should not be offered on a short to medium term basis; it needs to be offered and seen as permanent housing. The suggestion that public housing be offered on a medium or short term basis so as to be accessible to more people is not supported. The only viable way for more people to have access to public housing is to substantially increase stock

Council encourages the state government to be courageous and innovative in their quest to find ways to ensure that people have access to adequate public and social housing for their lives. Council congratulates the state on innovations currently under development or planned. These include the *Common Ground* model, which is an adaptation of a Common Ground-style Supportive Housing model from the United States, the Youth ‘Foyer’ and innovative aged care housing for the homeless. These models are discussed in greater length below, but it is important to note that security of tenure or permanency is a key feature of successful housing models.

More innovation is undoubtedly needed in thinking about the best way to provide public housing in Australia. It is the view of Council that the links and transitions between public housing and other forms of tenure, including affordable, social and community housing need to be considerably strengthened with a view to ensuring safe, secure, permanent housing for all.

### **Adequacy.**

Council believes that adequacy is a function of several factors, particularly:

- Sufficiency of supply
- Appropriateness to need
- Satisfactoriness of formal and informal support
- Sustainability in terms of resources needed to maintain and manage the accommodation
- Integration and connection with community in terms of amenity and opportunities for social capital.

In the light of these factors, the current system for allocating public housing is clearly not working. As at December last year, there were over 15,000 people on the public housing waiting list in North-West Melbourne. This figure includes 6,000 registered with the Broadmeadows and Preston offices, which cover Darebin. Insufficient supply of public housing is a key driver of poverty and a multiplier of social issues including mental health, homelessness, crime and violence. There needs to be more available public housing to enable people to have choices about where they live. Many people are currently relocated from their community due to a lack of stock.

Further, the allocation process needs to take into account factors such as neighbourhood fatigue, make up of existing tenants, and the needs of the applicant.

There is a need for greater diversity in the type of stock on estates. For example, perhaps not only singles should be located together. Mixing bedsits with one and two bedroom properties on estates could alleviate some issues with neighbours which can become problematic. Private housing particularly, flats and units has a mix and diversity of stock and tenants. Our public housing system should mirror this where possible.

Council welcomes current Office of Housing initiatives to this end and congratulates the government on this good work. Projects like redevelopment of public housing in the Cheddar/McMahon Roads area provide a model for the future. This redevelopment will result in an increase in supply, better integrated with the community, with an improved mix of stock and increased quality and sustainability. There have been other improvements in our Neighbourhood Renewal area and still others are planned. These projects notwithstanding the quality of all public housing stock needs to be continually improved.

Council is committed to environmental sustainability and welcomes moves in the development of new stock to improve sustainability. All new building opportunities need to take advantage of any opportunity to improve sustainability. Council supports the application of the standards included in the *ESD Design Guide for Public Buildings* to the development of public and social housing new builds. Council believes the application of the *Design Guide* is appropriate as it addresses a range of factors that will serve to improve the health of tenants and also to minimise ongoing costs. Financially sustainable housing is a key requirement for public housing tenants. The nine factors and included in the *Design Guide* and their associated standards provide a good starting point:

1. Integrated Design and Process Management
2. Social Sustainability and Occupant Satisfaction
3. Indoor Environment Quality
4. Energy Management
5. Transport
6. Ozone Layer Depletion
7. Choosing Materials
8. Waste Minimisation
9. Water Use Reduction<sup>7</sup>

Adoption of these factors supports the principle that the quality of public housing should be not less than the quality of government offices or other public buildings.

Council also strongly advocates for more place based support. Some Estates particularly Collingwood and Fitzroy have benefited greatly from having housing support workers based on the Estate. Where there are issues with neighbours this can often be a real solution to these issues before they become problems.

Council has noted and congratulated the state on innovations that improve the quality and adequacy of public housing and further encourages the state to integrate lessons from these innovations into the design of public housing in general. Council notes

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<sup>7</sup> Commonwealth of Australia (2007) *ESD Design Guide for Offices and Public Buildings* Department of the Environment and Water Resources, Canberra

the following four features of the *Common Ground* model as described by Mr Stephen Nash of *HomeGround* – a local support agency:

1. Permanent, high-quality, high density, self contained housing – normal, clean, well maintained, well designed, apartment housing over 100 units that makes people feel proud of where they live
2. Sustainable social mix –a thriving mix of previously homeless people and low income earners, not simply a run down, ghetto or institutional or stigmatised model
3. Controlled access – 24/7 staffing to maximise safety by keeping out people that have no business to be in the building
4. On-site support – case management to assist people address the trauma associated with homelessness and to re-connect with the community<sup>8</sup>

Points one and two of this describe key aspects of adequacy applicable to all public housing into the future. Points three and four describe essential features of housing for high needs groups.

The right of redress is an important safeguard of adequacy. Public housing tenants should have the right to complain about their housing and expect to have their complaints dealt with appropriately. Council supports the continued funding of the Social Housing Advocacy Support Program and organisations like the Tenants' Union to assist tenants with these and other issues. Tenants may have a range of issues and concerns that warrant attention. Of particular concern is the issue of maintenance either not being completed or not being done to the best possible standard.

A system of appropriate and accessible housing requires administration and Council is concerned that Office of Housing staffing levels are not adequate. The ratio of properties to staff is high – often as high as 300 properties per officer - particularly given the complex and varied needs of many tenants. As a consequence, local area staff are not as accessible as they might be. Staff would benefit greatly from the opportunity to network, and access information and contacts, from other sectors, that would possibly make their jobs a lot easier and as a result lead to better tenant outcomes.

### **Safety and Location.**

Historically access to public housing was focussed predominantly on income; tenants were on a low income and therefore qualified for public housing. The support needs of public housing tenants have arguably become much more complex over time, it therefore follows that some older stock (eg: high-rise estates) did not consider the design issues that need to be considered today. Much public housing is poorly designed to successfully accommodate people with high needs and may also be isolated in terms of access to support and transport.

Neighbourhood renewal programs have gone some way towards addressing safety issues on some estates, but there needs to be greater emphasis on staff presence and support systems. Currently support is often provided at the point where tenants are allocated their public housing, but is often withdrawn too soon.

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<sup>8</sup> Nash, S (2008) *Why Melbourne Needs a Common Ground-style Supportive Housing Model* – Council to Homeless Persons Parity Magazine.

Most of Darebin's public housing stock is located in the north of the city and generally proximal to areas of high socio-economic disadvantage. The City of Darebin is committed to retaining and increasing the amount of public housing stock in the North and the South of Darebin but supports a particular focus on the development of new public housing through spot purchase in the south of the City.

Greater consideration of amenity and safety through environmental design needs to be given to upgrades and new developments. As mentioned previously, greater consideration should also be given to the allocation of vacancies to ensure the creation of an inclusive community that has a diverse social mix. Appropriate support is key.

### **Impact on Specific Groups.**

Housing stress clearly affects some groups in Darebin more than others and broad discussions based on averaged data may diminish the impact of housing stress on individuals and particular groups.

In 2009 a single parent with one child, for example, in receipt of newstart with rental allowance receives \$700.28 per fortnight, or \$350 per week. The median rental price for a one bedroom flat in Reservoir is \$230 per week – or 65% of income. More importantly, however, the high rental costs leaves only \$120 a week for other living costs including food, clothing, medical and other expenses for an adult and a child.

A lone person newstart recipient would be similarly affected – paying 81% of their income and having only \$50 a week left over after paying for housing costs.

Data developed through the Local Action on Affordable Housing (LAAH) project show that key groups who are more likely fall into housing stress are:

- Lone-person households including young adults and seniors
- Younger, small families and single-parent families.
- Key workers. – who may pay high housing costs as a result of relocation

There needs to be more wrap around support to address the success rate of tenancies that have high needs. There is an inadequate supply of family accommodation and very limited four or five bedroom stock. This does not address the cultural needs of various groups, indigenous Australians being particularly affected by an overall lack of larger stock.

There also needs to be a greater response to women escaping family violence and appropriate placement of these families i.e. close to schools etc. Women and their children are often spending many years in transitional housing whilst waiting to be allocated a permanent public housing vacancy. We believe there should be the policy that transitional housing (where appropriate) can become permanent housing. Thus it becomes public housing stock, which should then be replaced with another transitional property.

The needs of homeless people and people facing homelessness could be better addressed by a significant increase in stock. No matter what arguments you make or what processes you change we are simply always trying to make an incredibly under resourced system respond to a need that far exceeds current supply. Based on figures obtained through the Australian Institute of Health and Welfare there are approximately 500 people who are homeless in Darebin on any given night.

The City of Darebin has the largest indigenous population in metropolitan Melbourne and indigenous people are overrepresented in the homeless population. One way in which the needs of indigenous Australians could be better addressed through greater recognition and support of indigenous culture and their social obligation to accommodate family and friends on a regular basis.

Currently refugees have little or no access to housing as they do not meet many of the criteria to be eligible for services. Mainly that they are not citizens and they do not receive an Income.

### **Conclusion.**

Housing in Darebin is becoming increasingly less accessible to people on low incomes and is likely to remain so without significant intervention from all forms of government.

Making the links between affordable housing, housing stress, homelessness, mental health, social wellbeing, economic participation and social connectedness is critical for developing and maintaining strong vibrant communities and an inclusive society.

The current wait list for the Office of Housing for the North West of Melbourne is over 15,000. This is an unacceptable number of people. The current wait times are so long for general wait turn housing that people who are eligible often don't apply as they cannot envisage that they will ever be accommodated.

Whilst there has been a recent increase in funding to social housing and greater commitment to public housing than has been displayed in recent years it is still clearly inadequate.

Council is supportive of recent moves to improve public housing in Darebin and to increase supply. Council also values the ongoing relationship with the Office of Housing in the development of innovative models and clearer policy that supports public housing.

Council strongly supports the expansion of state administered public housing in Darebin, particularly in the southern half of the City.

Council seeks every opportunity to work with the Department of Human Services, Office of Housing and the Department of Planning and Community Development to maintain and Increase the stock of public rental housing in Darebin by:

Continuing Council involvement in the Local Action on Affordable Housing project with a view to developing an Affordable Housing Action Plan.

Continuing to work cooperatively to develop new forms of public housing in Darebin appropriate to our social mix.

Establishing cooperative processes to plan for the future provision of public housing in Darebin.

Encouraging the development of innovative forms of public housing in Darebin such as the Common Ground and Youth Foyer models.

Establishing processes to jointly identify opportunities to increase the supply of public housing in the southern end of the Municipality.