



# PARLIAMENT OF VICTORIA

Legislative Council

Legal and Social Issues Committee

## Inquiry into the Public Housing Renewal Program

Parliament of Victoria  
**Legal and Social Issues Committee**

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# Committee functions

The Legal and Social Issues Committee (Legislation and References) is established under the Legislative Council Standing Orders Chapter 23 – Council Committees, and Sessional Orders.

The committee's functions are to inquire into and report on any proposal, matter or thing concerned with community services, gaming, health, law and justice, and the coordination of government.

The Legal and Social Issues Committee (References) may inquire into, hold public hearings, consider and report on other matters that are relevant to its functions.

The Legal and Social Issues Committee (Legislation) may inquire into, hold public hearings, consider and report on any Bills or draft Bills referred by the Legislative Council, annual reports, estimates of expenditure or other documents laid before the Legislative Council in accordance with an Act, provided these are relevant to its functions.

Government Departments allocated for oversight:

- Department of Health and Human Services
- Department of Justice and Regulation
- Department of Premier and Cabinet

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This report is available on the Committee's website.

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# Terms of reference

## Inquiry into the Public Housing Renewal Program

On 9 August 2017, the Legislative Council agreed to the following motion:

That, pursuant to Sessional Order 6, this House requires the Legal and Social Issues Committee to inquire into, consider and report, no later than 20 March 2018\*, on the Victorian Government's plan to sell a majority of the public land on existing public housing estates for private development under the Department of Health and Human Services (DHHS) Public Housing Renewal Program (PHRP), and, in particular the Committee should consider —

1. the adequacy of a proposed 10 per cent increase in public housing (or 1,100 public units) on the sites given the size of the waiting list for public housing;
2. the ability to cater for all demographics including families, couples and singles with the proposed housing mix;
3. the effects on current public housing tenants, including:
  - a. whether they will be moved to accommodation that is secure, stable and fit for purpose;
  - b. whether they will be moved to accommodation that is close to existing social support networks, educational, health and welfare services;
  - c. whether current tenants will be able to return to the estates;
4. the allocation of parts of the sites between the proposed new public and private housing units;
5. the lack of public condition assessments of the estates or alternative options such as refurbishment of all or part of the existing housing units;
6. the proposed significant increase in density and heights and any local environmental impacts, such as the loss of open space and mature vegetation;
7. the removal of planning controls from local councils, and planning implications surrounding communities including existing neighbourhood character, traffic flow and provisions of services;
8. the proposed loss of third party appeal rights;
9. the transparency and genuine community consultation with affected residents, neighbouring communities and the broader Victorian community regarding the short, medium and long term implications of the PHRP model as currently proposed;

## Terms of reference

10. public housing estates where similar models are envisaged or underway, including —
  - a. Markham Avenue, Ashburton;
  - b. Koolkuna Lane, Hampton; and
  - c. the corner of Stokes Street and Penola Street, Preston;
11. previous Victorian public housing renewal projects, including but not limited to the Kensington, Carlton and Prahran public housing estates;
12. best practice models for the provision of public housing from within Australia and overseas;

and any other matters the Committee considers relevant.

\* The reporting date for this inquiry was extended from 20 March 2018 to 5 June 2018.

# Chair's foreword

The number of Victorians applying for public housing is increasing. In March 2018 in Victoria, there were 57,877 adults and 24,622 children seeking public housing through 36,742 applications (another 7,286 applications were from existing public housing tenants who are seeking a transfer to another public housing property). The number of people on the Victorian Housing Register increased by around 1,500 people in the first three months of 2018 alone.

The Public Housing Renewal Program is not intended to significantly address this growing waiting list. Rather, it is primarily about upgrading existing public housing stock. This report considers what is the first stage of the Program: the sale of nine public housing estates in Melbourne to developers, who will replace the existing public housing stock with a mixture of public housing and private dwellings, some of which will be 'affordable housing' – a term which is vaguely defined. The ratios of the different types of housing at each site are unknown.

Having declared the Program to be a project of statewide significance, the state government intends to take control of the planning process instead of local councils. The loss of appeal rights against the significantly greater height and density planned on the sites, and in some cases in breach of existing planning requirements, was a recurring theme in this Inquiry.

The nine estates are clearly in need of upgrade, but the Andrews Labor Government's model and method have been questioned and criticised by many stakeholders during this Inquiry, in particular the decision to sell land to fund the upgrade.

Only walk-up estates were identified for renewal through the Program, described in one departmental brief as '... relatively low densities on substantial and valuable land holdings around Victoria'. The model was based on 'maximum financial returns with a minimum funding commitment' through increasing development density. 'Latent development capacity' was one of the filters for selecting sites for the Program and 'streamlined processes for both planning and building permit applications' were also anticipated from the outset as being part of the model.<sup>i</sup>

The new developments will include a minimum of 10 per cent extra public housing dwellings and hundreds of new private dwellings. Critics of the Program say this is a lost opportunity to create many more public housing dwellings on sites that are well connected to services and their surrounding communities. Once sold, they argue, public land for public housing is lost forever. Another recurring criticism is that the indicative plans showed much greater height and density on each site than currently exists, yet only minimal additional public housing.

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<sup>i</sup> Memorandum, Director, Property Services and Asset Management to Director of Housing and Executive Director, Housing and Community Building, Department of Human Services, 17 May 2010.

Based on indicative designs it also appears that public housing capacity would decline due to the reduced number of bedrooms for public housing tenants. This proposition could not be definitively tested as the tendering process is confidential and the plans are yet to be finalised.

Community consultation in relation to the Program was flawed and at times confusing. This was exacerbated by having two parallel consultation processes: one to seek input to indicative designs and explain the program to tenants, and the second for the planning process. The Committee was very concerned by evidence that tenants were given paperwork to sign in relation to moving from their homes but were not allowed to take them away to obtain independent advice before signing.

It also emerged that the agreement that tenants were initially asked to sign did not reflect the pledge prepared by the Victorian Public Tenants Association and signed by the Minister for Housing, Disability and Ageing, which purported to give an absolute right to tenants to return to estates after they have been rebuilt. It appears that the airing of this issue at this Inquiry caused the paperwork to be changed – including what will be a retrospective change for at least 110 tenants who had already signed the original agreement and left their homes. This intervention should not have been necessary.

Along with changes to documents mid-program and the overlapping consultation processes, having differing assessments for each site added to the confusion. Some questions could not be answered, for residents and neighbours and for this Committee, because at this time the answers remain unknown. Timelines changed during this Inquiry and many remain unclear – including likely completion dates.

The Committee asked for the tender document for developers but was not allowed to see it. We were, however, assured numerous times that various aspects of the Program would be resolved through the procurement process. Unless the Program becomes far more transparent than it has been to date, it will be difficult for anyone outside of government to assess whether it is successful in achieving its objectives.

For this reason, several recommendations focus on reporting of outcomes, such as explaining the rationale for the final public–private build ratio at each site.

It is unclear when the second stage of the Program will commence, but it is hoped that the recommendations and findings of this Final Report will enable improvements based on learnings from Stage 1.

This Inquiry was especially challenging due to the constantly changing nature of the Program. I am grateful to the Committee secretariat staff who so ably assisted us and on behalf of the Committee give our thanks to Patrick O'Brien, Matthew Newington, Anique Owen, Joanne Bush, Christina Smith and Prue Purdey.

**Margaret Fitzherbert MLC**  
**Chair**

# Executive summary

## Chapter 1

Chapter 1 provides an overview of the Public Housing Renewal Program, a Victorian Government program to redevelop and build public housing homes across metropolitan Melbourne and regional Victoria. The Chapter looks at the nine sites that form Phase 1 of the Program and introduces key issues that the Committee received evidence on: public housing supply; the planning process; the impact on tenants; and the Program's financial and social model. The Chapter concludes with an examination of previous renewal projects in Kensington and Carlton followed by a discussion of social housing policy in Victoria and the social and economic value of renewal programs.

## Chapter 2

Chapter 2 explores Victoria's public housing framework and governance. In particular, the Chapter looks at how public housing is structured in relation to the evolving demand for housing stock. The Chapter examines the level of investment in social housing over recent years and considers the issues raised in previous audits of public housing in Victoria. The Chapter also discusses the Victorian Housing Register, including current tenant demographics, and the Public Housing Renewal Program's proposed 10 per cent increase in public housing.

## Chapter 3

Chapter 3 covers planning issues linked to the Public Housing Renewal Program. The Chapter looks at the role played by the Social Housing Renewal Standing Advisory Committee in considering proposed planning scheme amendments, including its public consultation program and the reports and recommendations it prepared for the Minister for Planning. The Chapter discusses each of the core planning elements, including: proposed rezoning of the sites; Development Plan Overlays; the change in the Responsible Authority for each planning scheme; and design concerns.

## Chapter 4

Chapter 4 examines the impact that the Public Housing Renewal Program has had on tenants. The Chapter identifies some weaknesses in the Department of Health and Human Services' consultation and engagement process, as well as examining evidence on the uncertainty created by the relocation process. The Chapter concludes with a summary of tenants' right to return to redeveloped estates, including: tenant eligibility; the supply of appropriate public housing options; and the Victorian Public Tenants Association pledge signed by the Minister for Housing, Disability and Ageing.

## Chapter 5

Chapter 5 looks at the financial and social model of the Public Housing Renewal Program. The Chapter discusses the tender process and explores the Victorian Government's decision to fund new housing by selling land to developers rather than refurbishing the sites. The Chapter concludes with an examination of the improved social outcomes that the Victorian Government expects the Program to achieve through a 'social mix' of public and private housing at each site.

# Acronyms

<b>CHIA</b>	Community Housing Industry Association
<b>COAG</b>	Council of Australian Governments
<b>DELWP</b>	Department of Environment, Land, Water and Planning
<b>DHHS</b>	Department of Health and Human Services
<b>DPO</b>	Development Plan Overlay
<b>DTF</b>	Department of Treasury and Finance
<b>FOI</b>	Freedom of Information
<b>VAGO</b>	Victorian Auditor-General's Office
<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>VCOSS</b>	Victorian Council of Social Service
<b>VEOHRC</b>	Victorian Equal Opportunity and Human Rights Commission





# Recommendations

## 1 The Public Housing Renewal Program

**RECOMMENDATION 1:** That the Victorian Government clarify by how much it intends to increase social housing through its current suite of programs. . . . . 8

**RECOMMENDATION 2:** That the Victorian Government clarify how the procurement process for the Public Housing Renewal Program will ensure the desired level of affordable housing is achieved.. . . . 8

**RECOMMENDATION 3:** That the Victorian Government respond to the recommendations in this Final Report within three months of tabling. . . . . 13

**RECOMMENDATION 4:** That the Victorian Government fund Infrastructure Victoria to partner with the Department of Health and Human Services to measure the full social and economic value of social housing. The partnership should be based on the work previously undertaken by Infrastructure Victoria. . . . . 17

## 2 Public housing in Victoria

**RECOMMENDATION 5:** That the Victorian Government tie the Public Housing Renewal Program to a targeted decrease in the Victorian Housing Register. . . . . 32

## 3 The planning process

**RECOMMENDATION 6:** That the Department of Health and Human Services and the Social Housing Renewal Standing Advisory Committee consider the issues raised in this Final Report when determining the process for future public consultation sessions. In particular:

- The Public Housing Renewal Program website must be updated frequently and accurately
- Provide a clearer explanation of what indicative plans are
- Stakeholders must be presented with the minimum number of documents possible to avoid confusion
- Improve communication for tenants using plain language and support for those with English as a second language. . . . . 42

**RECOMMENDATION 7:** That in future responses to reports of the Social Housing Renewal Standing Advisory Committee, the Minister for Planning provide the rationale for recommendations that are supported in part or not supported. . . . . 52

**RECOMMENDATION 8:** That the Department of Health and Human Services be precise in explaining what is involved in future consultation sessions for the Public Housing Renewal Program. The Department should manage expectations by paying particular attention to any power that tenants may or may not have to influence the Development Plan Overlay at their site. . . . . 52

**RECOMMENDATION 9:** That the Minister for Planning take into consideration the views of relevant local councils when making planning decisions regarding the Public Housing Renewal Program.. . . . 56

**RECOMMENDATION 10:** That the Victorian Government include the provision of employment opportunities for public housing tenants in the tender process for the Public Housing Renewal Program sites. . . . . 64

**RECOMMENDATION 11:** That where possible the Victorian Government involve public housing tenants in the design process for the Public Housing Renewal Program sites.. . . . 64

**4 Impact of the Public Housing Renewal Program on tenants**

**RECOMMENDATION 12:** That the Department of Health and Human Services immediately review and improve how it collaborates with tenants such that it better assists tenants throughout the Public Housing Renewal Program. . . . . 73

**RECOMMENDATION 13:** That the Department of Health and Human Services continue to monitor future Social Housing Renewal Standing Advisory Committee consultation sessions for information about tenants’ concerns. . . . . 75

**RECOMMENDATION 14:** That the Department of Health and Human Services strengthen efforts to ensure that all tenants at future Public Housing Renewal Program sites understand the difference between the Department and advisory committees set up under section 151 of the *Planning and Environment Act 1987* and how they can contribute to both. . . . . 75

**RECOMMENDATION 15:** That the Department of Health and Human Services continue to communicate with Public Housing Renewal Program tenants at all times up to their relocation and throughout the remainder of the whole Program. The Department should continue to answer questions asked by tenants regarding any issue to do with their relocation. . . . . 81

**RECOMMENDATION 16:** That the Victorian Government confirm with all tenants in the Public Housing Renewal Program that they will be able to return to their estates. All documentation and communication provided to tenants should reflect this. 86

**RECOMMENDATION 17:** That the Department of Health and Human Services publish the number of tenants who have returned to each estate at the conclusion of the Public Housing Renewal Program.. . . . 86

**RECOMMENDATION 18:** That the Department of Health and Human Services provide tenants with the opportunity to review all documentation provided and access independent legal advice before being required to sign relocation agreements. 87

**RECOMMENDATION 19:** That the Victorian Government resource organisations that are well placed to provide independent legal advice to tenants. . . . . 87

## 5 The Public Housing Renewal Program financial and social model

**RECOMMENDATION 20:** That the Victorian Government publish the price paid for public land sold as part of the Public Housing Renewal Program. . . . . 97

**RECOMMENDATION 21:** That the Victorian Government publish the amount of money raised by the sale of land during the Public Housing Renewal Program that will be allocated to public housing throughout Victoria. . . . . 97

**RECOMMENDATION 22:** That at the completion of the Public Housing Renewal Program the Victorian Government provide evidence that all money raised by the sale of land during the Program has been allocated to public housing throughout Victoria. . . . . 97

**RECOMMENDATION 23:** That the Victorian Government develop and publish an ongoing, long-term monitoring and maintenance strategy for Public Housing Renewal Program sites. . . . . 99

**RECOMMENDATION 24:** That the Victorian Government identify which public housing estates are suitable for refurbishment and those which are not. . . . . 99

**RECOMMENDATION 25:** That the Victorian Government conduct a longitudinal study on the link between social mix and social outcomes at public housing estates, and lead research into local area effects in disadvantaged communities in Victoria. The results of the studies should influence future social housing policy. . . . 102

**RECOMMENDATION 26:** That the Victorian Government ensure that designs of public and private housing at each site are tenure blind, including equitable access of public tenants to common facilities where practicable. . . . . 102

**RECOMMENDATION 27:** That the Victorian Government explain the rationale behind the final public-to-private ratio build at each Public Housing Renewal Program site. This rationale should help inform future decision-making for the Program. . . . . 104

**RECOMMENDATION 28:** That the Victorian Government work with social housing experts and developers to determine the most appropriate development mix for each Public Housing Renewal Program site. . . . . 106



# The inquiry into the Public Housing Renewal Program – what happens next?

There are several stages to a parliamentary inquiry.

## The Committee conducts the Inquiry

This report on the Public Housing Renewal Program is the result of extensive research and consultation by the Legal and Social Issues Committee at the Parliament of Victoria.

We received written submissions, spoke with people at public hearings, reviewed research evidence and deliberated over a number of meetings. Experts, government representatives and individuals expressed their views directly to us as Members of Parliament.

A parliamentary committee is not part of the Government. Our Committee is a group of members of different political parties (including independent members). Parliament has asked us to look closely at an issue and report back. This process helps Parliament do its work by encouraging public debate and involvement in issues. We also examine government policies and the actions of the public service.

## The report is presented to Parliament

This report was presented to Parliament and can be found on the Committee's website (<https://www.parliament.vic.gov.au/lisic/inquiries/article/2573>).

## A response from the Government

The Government has six months to respond in writing to any recommendations we have made. The response is public and put on the inquiry page of Parliament's website when it is received (<http://www.parliament.vic.gov.au/lisic/inquiries/article/3847>).

In its response, the Government indicates whether it supports the Committee's recommendations. It can also outline actions it may take.



# The Public Housing Renewal Program

The Public Housing Renewal Program is a Victorian Government program to redevelop public housing homes and build more social housing properties across metropolitan Melbourne and regional Victoria. The main priority of the Program is to renew existing public housing homes. The Program is intended to increase the number of social housing units by at least 10 per cent.

The Government proposes to fund the Program through \$185 million of 'seed funding' and by selling the land at each site to a developer. The Government and developers will make their profits by building and selling private housing on the sites alongside social housing. The Government is also exploring other delivery models.

## 1.1 Definitions

Although the terms 'public housing', 'community housing' and 'social housing' are often used interchangeably, they have distinct meanings.

The Committee has adopted the following definitions based on those in *Homes for Victorians* and the evidence submitted to the Inquiry.

### BOX 1.1: Definitions

**Public housing:** Housing owned and managed by the Director of Housing. The Government provides public housing to eligible disadvantaged Victorians including those unemployed, on low incomes, over 55, with a disability, with a mental illness or at risk of homelessness.

**Community housing:** Housing owned or managed by community housing agencies for low income people, including those eligible for public housing. Community housing agencies are regulated by the Government.

**Social housing:** An umbrella term that includes both public housing and community housing.

**Affordable housing:** Housing provided that is priced to meet the needs of very low to moderate income households.

Source: Compiled by the Legal and Social Issues Committee.

## 1.2 Key differences between public and community housing

Public housing refers to housing owned and managed by the Director of Housing on behalf of the Victorian Government. Public housing tenants enter into a lease with the Director of Housing and the housing is managed by the Department of Health and Human Services. The roles of the Director of Housing and the Government in public housing are discussed further in Chapter 2.

Community housing is owned or managed by non-government organisations which are registered and regulated by the Government. Key types of community housing include:

- Housing associations. These organisations own properties or manage properties on behalf of the Government.
- Rooming houses. Typically provide accommodation for a single person. Residents rent a room and may share common facilities.
- Rental housing cooperatives. Tenants govern their housing with support from professional staff.
- Specialist housing providers. Provide housing and support for specific groups such as the elderly, youth or people with disabilities.<sup>1</sup>

Table 1.1 outlines some of the main differences between public and community housing.

**Table 1.1 Differences between public and community housing**

	Public housing	Community housing
<b>Landlord</b>	Director of Housing	Community housing organisation
<b>Land owner</b>	Director of Housing on behalf of the Victorian Government	Victorian Government or privately owned
<b>Complaints process</b>	Local Housing Office Housing Appeals Office Decisions appealable at VCAT, Ombudsman, VEOHRC	Internal resolution process (30 days) Housing Registrar VCAT (Disputes under the <i>Residential Tenancies Act</i> ) Decisions appealable at VCAT
<b>Rent cost</b>	25% of tenant's income or market rent of property, whichever is lesser  Difference between rent paid and market rate is subsidised by Director of Housing	Typically between 25% and 30% of total household income
<b>Tenancy</b>	Generally perpetual	Generally until the tenant decides to leave or the tenancy agreement is broken
<b>Provided to</b>	Those assessed with greatest need	More diverse range of low-income tenants
<b>Subsidies available for operations</b>	None	Commonwealth rent assistance Charitable tax exemptions

<sup>1</sup> [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Community housing', viewed 7 December 2017, <<http://www.housing.vic.gov.au>>.



### 1.3 The Public Housing Renewal Program

In 2009, the Housing and Community Building Unit of the Department of Human Services contracted M21 Pty Ltd to investigate ways of redeveloping 22 ageing walk-up estates ‘with a Real Estate development model’.<sup>2</sup> M21 was provided with achieving the following objectives:

- Redevelop and increase the number of public housing units and integrated with private housing ‘at little or no extra cost’
- Improve amenities for residents
- Upgrade the sustainability and energy efficiency of public housing
- Reduce maintenance costs
- Decrease the average age of public housing.<sup>3</sup>

Following several years of planning, the Victorian Government established the Public Housing Renewal Program in 2017 under the *Homes for Victorians* strategy. The strategy includes a suite of initiatives to address broader housing issues in Victoria. *Homes for Victorians* is based around the following five initiatives:

1. Supporting people to buy their own home
2. Increasing the supply of housing through faster planning
3. Promoting stability and affordability for renters
4. Increasing and renewing social housing stock
5. Improving housing services for Victorians in need.

The Government established the Public Housing Renewal Program as part of initiative 4, with an initial allocation of \$185 million.<sup>4</sup> Key objectives of the Program are:

- Building new units that meet modern standards, are energy efficient and accessible for people with mobility impairments
- Increasing the number of public or social homes on each site by at least 10 per cent
- ‘Tenure blind’ designs that do not distinguish between public and private units on each site
- Ensuring all residents, public and private, have access to common spaces and shared facilities
- Improved public spaces

<sup>2</sup> Department of Health and Human Services, *M21 Study on potential commercial redevelopment viability of aged walk-up estates*, Department of Health and Human Services, Melbourne, 2010, p. 1.

<sup>3</sup> Ibid.

<sup>4</sup> Victorian Government, *Homes for Victorians — Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 33.

- Engaging with tenants to ensure they are kept informed of decisions that will affect them and are given opportunities to find housing that meets their needs during and after the redevelopment process.<sup>5</sup>

The Public Housing Renewal Program will occur in two stages. Stage 1 involves redevelopment of approximately 1100 public housing units across nine sites in metropolitan Melbourne.<sup>6</sup> Stage 2 will focus on sites in regional Victoria.<sup>7</sup>

The nine sites to be redeveloped under stage one of the Public Housing Renewal Program are listed in Table 1.2.

**Table 1.2 Public Housing Renewal Program: Stage one sites**

Site
Abbotsford Street, North Melbourne
Ascot Vale estate
Bangs Street, Prahran
Bills Street, Hawthorn
Gronn Place, Brunswick West
New Street, Brighton
Noone Street, Clifton Hill
Tarakan and Bellbardia estates, Heidelberg West
Walker Street, Northcote

Source: Victorian Government, *Homes for Victorians – Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 33.

Tenants will be relocated to other homes during the renewal process. They have been advised that they will then have the option to return to the site once the renewal is complete or to stay in their new accommodation permanently. However, there has been inconsistent advice provided to tenants on whether they will have a guaranteed right to return. Residents' status as public housing tenants will be retained during the redevelopment period.<sup>8</sup> For more on this, see Chapter 4 of this Final Report.

In its submission to this Inquiry, the Victorian Government highlighted that the initial sites were chosen as they do not meet the current and emerging needs of tenants. This includes:

- Lack of lifts
- Poor disability access
- External or shared facilities such as laundries

<sup>5</sup> Victorian Government, *Submission*, no. 172, p. 6.

<sup>6</sup> M21 had reduced the initial figure of 22 down to nine and then four sites. The document seen by the Committee had been redacted and the Committee could not determine if the nine sites listed by M21 match the final nine sites of the Program.

<sup>7</sup> Victorian Government, *Homes for Victorians – Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 33.

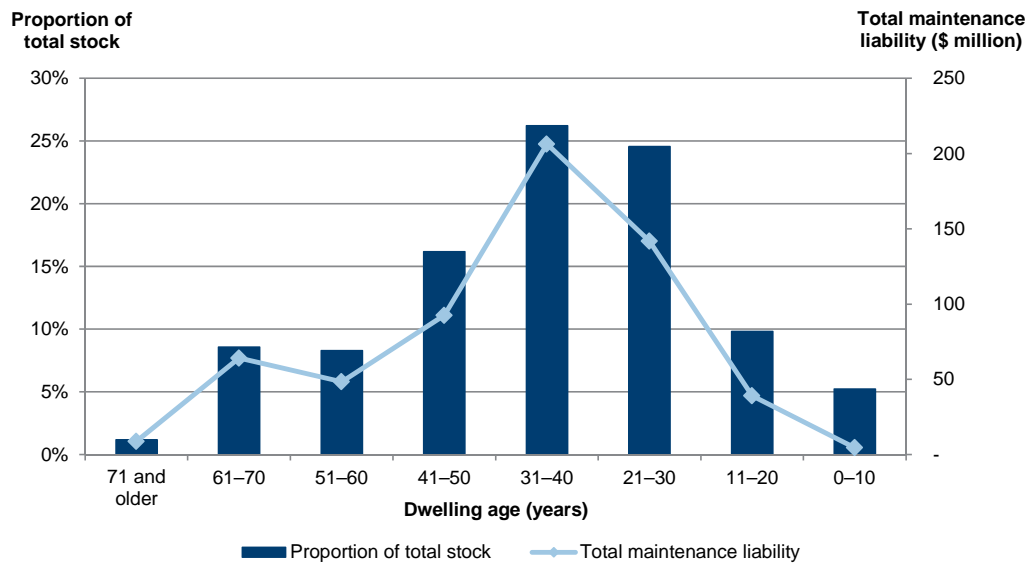
<sup>8</sup> Victorian Government, *Submission*, no. 172, p. 23.

- Poor energy efficiency, causing increased costs for tenants in extreme weather.<sup>9</sup>

New buildings on each estate will be built according to the Government’s *Better Apartment Design Standards* and meet Liveable Housing Australia’s ‘gold’ accessibility standards.

Figure 1.1 below illustrates the total maintenance liability for public housing units compared to the proportion of total stock.

**Figure 1.1** Age profile of public housing stock and total maintenance liability

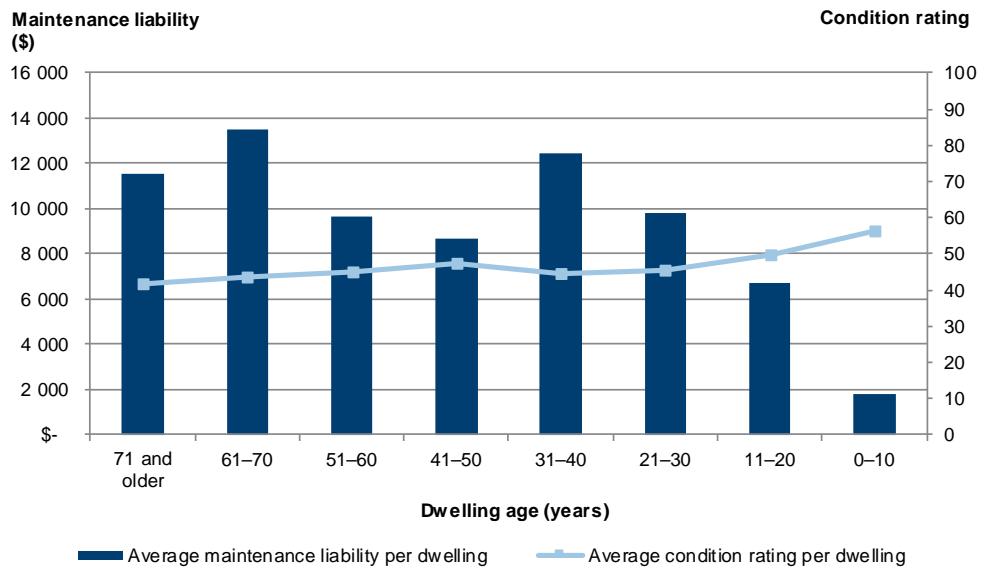


Source: Victorian Auditor-General, *Managing Victoria’s public housing*, Victorian Auditor-General’s Office, Melbourne, 2017, p. 14

VAGO’s 2017 audit into public housing noted that units between 41 and 60 years of age have a lower maintenance liability and higher condition rating due to targeted upgrades on ageing stock. This is illustrated in Figure 1.2.

9 Ibid., p. 10.

**Figure 1.2** Average maintenance liability and condition rating per unit by age



Source: Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 15

A model to fund renewal of the estates, involves the Government receiving land payments from developers. The developer of each site will be required to increase the number of public housing units on each site by at least 10 per cent. The remaining units will be private, including housing for first homebuyers. The Government will retain ownership of the land until the development is finalised.<sup>10</sup>

The Public Housing Renewal Program has been criticised for increasing social housing by 'only' 10 per cent. The Victorian Government stated in its submission to this Inquiry that this increase is part of a broader effort to increase social housing, including the Social Housing Growth Fund and the Social Housing Pipeline.<sup>11</sup> However, it is the Committee's experience that this is not widely understood in the community.

In its submission, the Government stated that the Program will also help address affordable housing issues in Victoria. It wrote:

Each site will provide opportunities for first homebuyers, and there is also significant potential to use the various levers at government's disposal in combination with innovation from the private and not-for-profit sectors to deliver additional affordable housing and community outcomes. These opportunities are being actively sought through the procurement of development partners and will enable renewal sites to respond not only to public housing needs, but also those of moderate-income Victorians who face affordability challenges.

...

<sup>10</sup> Ibid., p. 7.

<sup>11</sup> Ibid., p. 6.

Opportunities for first homebuyers will be included in each project, and the department will explore the various levers, initiatives and options it has now – and in the future – to include affordable housing for low and moderate income households. Partnerships and innovation from the private and not-for-profit sectors are likely to play a key role in the development of different affordable housing options as the program continues over many years.<sup>12</sup>

As the Government is in a procurement process to achieve more public and affordable housing, it is not yet clear what proportion of the redeveloped sites will be built as affordable housing or how the proportion will be achieved. As an example, Bayside City Council told the Committee that the redeveloped New Street, Brighton site will comprise:

- One-third public housing
- One-third affordable housing (for first home buyers)
- One-third private (or ‘market rate’) housing.<sup>13</sup>

The Council argued that affordable housing should be ‘locked in’ at the site to ensure it is available to future generations. According to the Council, one way this could be achieved is through a dedicated shared equity scheme, operated by a social housing trust to be held in perpetuity. These allow people to buy homes in partnership with an organisation, such as a community housing organisation or government.<sup>14</sup>

The Committee asked the Director of Housing, Mr Nick Foa, how the Victorian Government defines affordable housing. Mr Foa said:

The working definition is, ‘Can you get a first homeowners grant?’ The property product, I think, has to be under \$600,000 for that. Secondly, to be affordable it is generally regarded as a rent payable of 30% of the household income ... It is not just the first homebuyers product. We want to push people into the affordability area, hopefully with shared equity, hopefully with stamp duty savings – a whole range of initiatives.<sup>15</sup>

Mr Foa added that the affordable housing component of the Program will be determined as ‘part of the market process’.<sup>16</sup>

The Committee is concerned that providing housing for people eligible for the first homeowners grant is one-off benefit. There is no lasting benefit to the State nor other low income earners when these properties are sold in the future.

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12 Ibid.

13 Bayside City Council, *Supplementary submission*.

14 Ibid.

15 Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

16 Ibid., p. 26.

**FINDING 1:** The main aim of the Public Housing Renewal Program is to renew ageing public housing infrastructure. The minimum 10 per cent increase in public housing units is in addition to other programs in the *Homes for Victorians* strategy aimed at increasing social housing.

**FINDING 2:** Affordable housing is part of the Public Housing Renewal Program. However, it is not clear how much affordable housing will be built nor the model that will be used to deliver it. The Government advised that its intention is to resolve this through the procurement process.

**RECOMMENDATION 1:** That the Victorian Government clarify by how much it intends to increase social housing through its current suite of programs.

**RECOMMENDATION 2:** That the Victorian Government clarify how the procurement process for the Public Housing Renewal Program will ensure the desired level of affordable housing is achieved.

### 1.3.1 Timeline of the Program

The timeline of the Public Housing Renewal Program is unclear, with no stated completion date. At the time of writing this Final Report, the Government was relocating tenants across several sites and each site was still in the planning stage.

A former incarnation of the Public Housing Renewal Program website detailed the timeline as follows:

- 2017: consultation
- Late 2017 to early 2018: Residents move to temporary or permanent new homes
- 2018: build new social housing
- Late 2018: residents move into new homes
- Late 2018: Build new private housing.<sup>17</sup>

However, as the Registration of Capability was released in May 2017 stated that the renewal contracts would only be signed in mid-2018, this timeline would be impossible. This information has since been removed and no timeline is available on the updated page. The Committee understands that the renewal of each site is expected to take several years. For example, a previous renewal in Carlton (discussed in section 1.6.2) began in 2009, with social housing completed in 2014. However, the Prahran Renewal Preliminary Business Case of four public housing estates sites (Horace Petty, Bangs Street, Essex Street and King Street) predicted a staged demolition and rebuilding process of approximately 25 years.<sup>18</sup>

The lack of clarity has made some tenants confused about the Program. This was a key issue during the Inquiry and is discussed in detail in Chapter 4.

<sup>17</sup> housing.vic.gov.au, 'Public Housing Renewal Program', viewed 26 March 2018, <<http://www.housing.vic.gov.au>>.

<sup>18</sup> Deloitte, *Department of Health and Human Services, Prahran Renewal Preliminary Business Case*, Deloitte, Melbourne, 2015, p. 1.

## 1.4 Key issues

The Committee received 172 submissions and held three public hearings as part of this Inquiry. These are detailed in Appendices 1 and 2, respectively. The Committee also reviewed a range of research and policy documents in formulating this Final Report's recommendations.

The key issues that the Committee addressed are examined in detail in the remaining Chapters of this report and are summarised below.

### Public housing supply

- Demand for social housing is steadily growing, and the current rate of supply is insufficient to keep up with this. Significant and ongoing investment is required to address this discrepancy.
- The demographics of public housing tenants have changed, and available units do not match demand. Historically, the greatest need for public housing was in three-bedroom units. However, demand has shifted to one- and two-bedroom units, creating a misaligned supply. The average occupancy for each unit at each of the Public Housing Renewal Program sites is 1.7 people.<sup>19</sup>
- The 10 per cent increase in housing refers to the number of units on each site, not bedrooms. There is concern that a reduction in bedroom numbers will cause a reduction in the total capacity.

### Planning issues

- The public consultation process for the Government's proposed planning amendments carried out by the Social Housing Renewal Standing Advisory Committee caused confusion for some tenants and local residents. In particular, some tenants did not understand the planning process and were, not unreasonably, confused by two consultation processes taking place concurrently.
- Plans to introduce a Development Plan Overlay on each site and change the Responsible Authority for planning approvals from the local council to the Minister for Planning caused concern, in particular about the loss of appeal rights, most notably from local councils and neighbours.
- Residents are also concerned about indicative designs of the renewal sites, including increased densification, parking, loss of open space and environmental issues. There have been significant changes to the indicative designs following the Social Housing Renewal Standing Advisory Committee process, including a reduction in height and density at some of the sites.

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<sup>19</sup> Victorian Government, *Submission*, no. 172, pp. 10, 20.

## Impacts on tenants

- The consultation process undertaken by DHHS had a number of shortfalls that left some tenants feeling disengaged and untrusting of the Program. In addition, community groups and tenant advocates were not sufficiently resourced to help tenants work through the challenges of relocating and their rights.
- Larger families are being provided with the opportunity to be relocated to detached houses. However, there is still uncertainty about the availability of suitable units to facilitate their return, as there will be a reduction in larger dwellings.
- For some tenants, relocating to different suburbs has caused additional stress due to impacts on schooling, access to health care and displacement of support networks.
- The VPTA's pledge signed by the Minister for Housing, Disability and Ageing, purporting to protect tenants' right to return, is partially contradicted by several DHHS documents. DHHS is addressing this concern by drawing up a new agreement for tenants to sign.

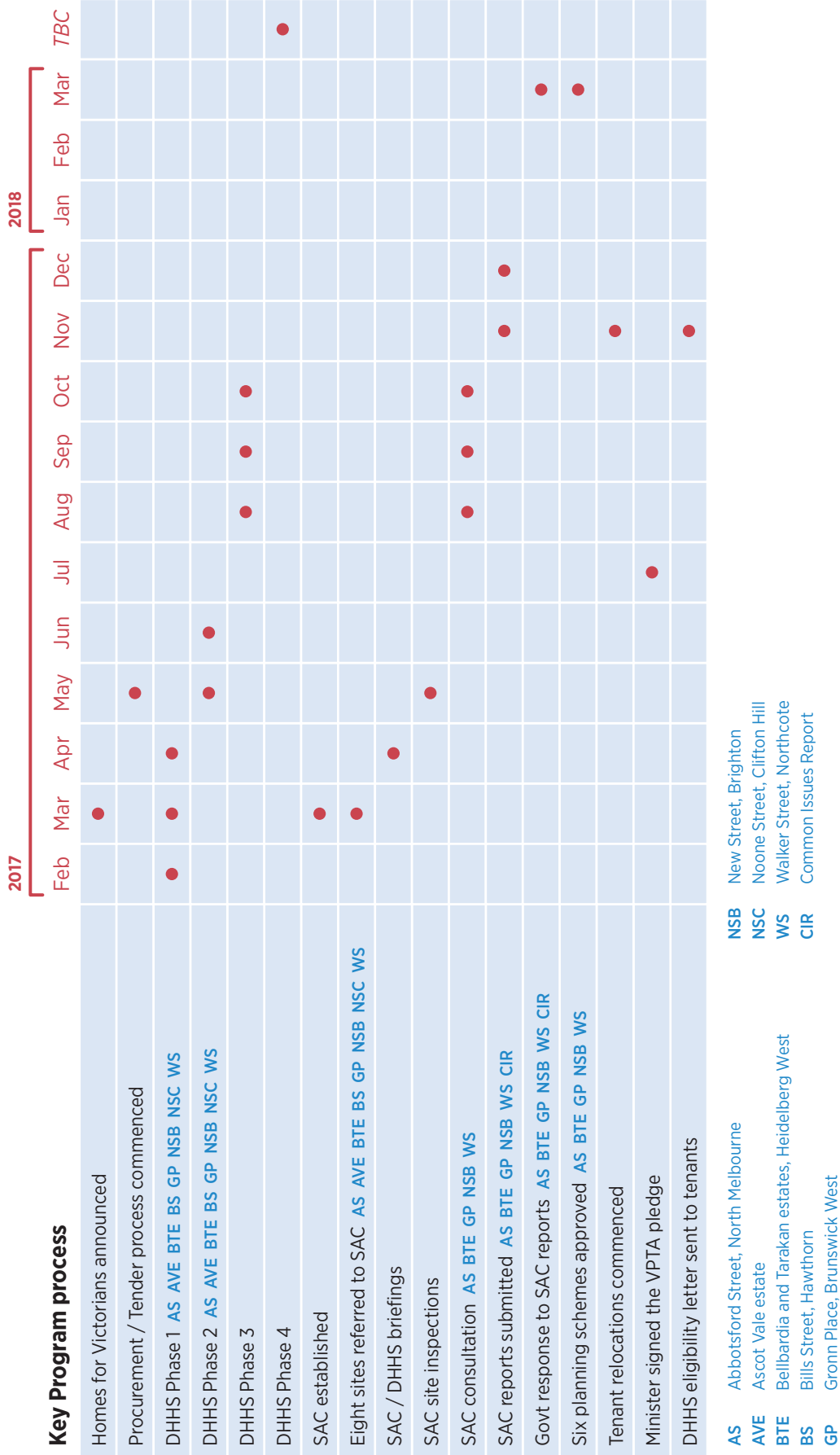
## Public Housing Renewal Program financial and social model

- Any sale of public housing land — particularly in prime locations in inner-suburban Melbourne — should be properly justified and provide a large benefit to public housing tenants and the State. It is not clear that this is the case with the Public Housing Renewal Program.
- There is no clear evidence of the benefits of the 'social mix' from public and private housing on each site desired by the Victorian Government.
- Public housing should be indistinguishable from private housing to promote inclusiveness and help reduce any stigma that may be associated with public housing. Where practicable, public housing should be dispersed in clusters among private housing.
- There is no public analysis on the optimum ratio of public-to-private housing on the sites. Each site should be assessed individually to determine the best outcome.

The Public Housing Renewal Program is a 'live' program, which has meant that changes have been occurring throughout this Inquiry and will continue while this Final Report is being considered by the Victorian Government. The Committee has collated the status of each site considered in this Final Report and a timeline of key Program aspects at the time of writing in Figure 1.3 and Table 1.3.



Figure 1.3 Timeline of key Program processes



Source: Compiled by the Legal and Social Issues Committee.

**Table 1.3** Overview of the Public Housing Renewal Project and other Public Housing Projects

Site	Public Housing Renewal Program site	Included in registration of capability process	Consultation by DHHS	Consultation reports by DHHS published	Referred to the Standing Advisory Committee	SAC consultation finalised	Government Response to SAC published	Planning Provisions approved
<b>Public Housing Renewal Program sites</b>								
Ascot Vale estate	✓	✓	✓	✓	✓	✓	✓	✓
New Street, Brighton	✓	✓	✓	✓	✓	✓	✓	✓
Gronn Place, Brunswick West	✓	✓	✓	✓	✓	✓	✓	✓
Noone Street, Clifton Hill	✓	✓	✓	✓	✓	✓	✓	✓
Bills Street, Hawthorn	✓	✓	✓	✓	✓	✓	✓	✓
Bellbardia and Tarakan estates, Heidelberg West	✓	✓	✓	✓	✓	✓	✓	✓
Abbotsford Street, North Melbourne	✓	✓	✓	✓	✓	✓	✓	✓
Walker Street, Northcote	✓	✓	✓	✓	✓	✓	✓	✓
Bangs Street, Prahran	✓	✓	✓	✓	✓	✓	✓	✓
<b>Other public housing projects</b>								
Flemington estate	✓	✓	✓	✓	✓	✓	✓	✓
Stokes/Penola, Miller and Oakover sites, Preston	✓	✓	✓	✓	✓	✓	✓	✓

Source: Compiled by the Legal and Social Issues Committee.

## 1.5 Government response

Section 23.30 of the Legislative Council Standing Orders states that the Victorian Government must reply to a Committee's recommendations within six months of a report being tabled. The timing of the 2018 Victorian election means a response to this Final Report may not be provided until early or even mid-2019.

The Committee believes that tenants affected by the Public Housing Renewal Program deserve a response from the Victorian Government earlier than 2019, ideally within three months of tabling this Final Report. The Committee acknowledges the hard work of Victorian Government Departments in preparing responses to Committee reports in strict timeframes. However, the Committee believes that the urgency of this matter dictates a shorter response time than the six months stated in the Standing Orders.

**RECOMMENDATION 3:** That the Victorian Government respond to the recommendations in this Final Report within three months of tabling.

## 1.6 Other social housing renewal projects

The Public Housing Renewal Program is one of a number of social housing redevelopment projects. Some of these are occurring concurrently to the sites being redeveloped under the Public Housing Renewal Program and are discussed in Appendix 3. However, the Inquiry's focus was the nine sites of the first stage of the Public Housing Renewal Program.

During the Inquiry, the Committee received evidence relating to previous and current public housing redevelopment projects. In particular, a number of stakeholders referred to renewal projects at Kensington and Carlton. These are discussed below.

### 1.6.1 Kensington

The Kensington public housing estate was built between 1957 and 1971 as part of the former Victorian Housing Commission's 'slum clearance' program. The estate comprised 738 public housing units: three 12-storey high-rise towers containing 360 units and 14 walk-up blocks containing 378 units. Three quarters of the units were designated for families and the remainder for older people.<sup>20</sup>

Redevelopment of the Kensington estate was the first major public housing 'renewal' project in Victoria. The project began construction in 2002 and was officially completed in 2012.<sup>21</sup> The land was owned by the State and sold to the developer Becton in order to fund the redevelopment. This 'project partner delivery agreement' has been emulated in other social housing renewal projects, including the Public Housing Renewal Program.

<sup>20</sup> Ibid., Attachment 5.

<sup>21</sup> Ibid.

During the renewal, several walk-up and high-rise towers on the estate containing public housing were demolished. These were later replaced with a mix of public and privately owned units, separated block-by-block.

Redevelopment of the estate aimed to address the following issues:

- Decline in the estate's population (down to 1800 — about 60 per cent of the original population)
- Changed community needs and increased demand on the public housing waiting list
- Other social issues associated with high-rise public housing estates.<sup>22</sup>

According to the Victorian Government, the objectives of the redevelopment were outlined in the Kensington Estate Redevelopment Strategy, which was approved in August 1999. The objectives included:

- The highest possible dwelling yield on site, subject to criteria (including urban design and site planning principles)
- Density to be higher than the surrounding area, to yield about 650 additional dwellings
- 81 per cent of public housing units to have one or two bedrooms, with flexibility to accommodate people with disabilities and different types of families
- Integration of public and private housing, with 30 to 40 per cent of new housing to be public housing
- A complementary stock acquisition to maintain public housing numbers in the local area.<sup>23</sup>

In its submission, the Government stated that 486 public housing units were demolished during redevelopment.<sup>24</sup>

According to researchers Abdullahi Jama and Dr Kate Shaw, the mix of social housing to private housing on the Kensington estate following redevelopment was approximately 47:53. This includes community housing. Their comparison of the number of social and private housing units at the Kensington estate is summarised in Table 1.4.

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22 Ibid., Attachment 5.

23 Ibid.

24 Ibid.

**Table 1.4** Comparison of social housing and private units at the Kensington estate before and after renewal

Bedrooms	1998	2012			Total
	Public Units	Public units	Community housing units	Private units	
Studio and 1 br	142	231	0	133	364
2 br	256	122	15	323	460
3 br	296	68	0	41	109
4 br	0	8	0	0	8
<b>Total</b>	<b>694</b>	<b>429</b>	<b>15</b>	<b>497</b>	<b>941</b>

Source: Jama, A and Shaw, K, 'Why do we need social mix? Analysis of an Australian inner-city public housing estate redevelopment (Unpublished)', 2017, p. 10.

According to Jama and Shaw, only four of the 21 buildings are mixed-tenure, with the remainder either public or private.<sup>25</sup>

A review of the Kensington redevelopment was commissioned by the former Department of Human Services in 2012, but the final report was not published. The Committee obtained a copy of the report in March 2018. This was despite the Victorian Government claiming executive privilege over the document 'on the basis that its disclosure would be contrary to the public interest'.<sup>26</sup>

The Committee does not believe there is anything in the document that would harm the public interest if published. On the contrary, the Committee believes that the public has a right to view analysis of any program that sells public land. On this basis, the Committee has published the review on its website.

Among others, key findings of the Kensington review included:

- The land was significantly undervalued when sold to the developer
- The ratio of public-to-private housing was not justified and represented significant advantage to the developer
- The mixed tenure renewal did little to achieve the desired 'social outcomes' of the renewal project.<sup>27</sup>

## 1.6.2 Carlton

The Carlton housing redevelopment project is a nine-stage urban renewal project involving construction of:

- 246 public housing units across three sites
- A projected 800 private apartments

<sup>25</sup> Dr Kate Shaw, *Submission*, no. 3, p. 3.

<sup>26</sup> Correspondence, Martin Foley MP, Minister for Housing, Disability and Ageing, to Patrick O'Brien, Secretary, Legal and Social Issues Committee, 14 February 2018.

<sup>27</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013.

- 181 independent living units
- An aged care centre and wellbeing centre.<sup>28</sup>

The redevelopment project was managed by the Victorian Government and developed by Australand and Citta Property Group.<sup>29</sup>

The redevelopment began in 2009, with the first three stages seeing renewal of the public housing units. Construction of the public housing unit sites was completed in 2014, with the remaining stages due for completion in November 2020.<sup>30</sup>

Before the renewal commenced, public housing stock on the Carlton estate consisted of seven high-rise towers and 15 walk-up buildings on two separate precincts.<sup>31</sup> During the renewal project, three public housing walk-up units were demolished and redeveloped as public and private apartments. The sites were redeveloped as separate complexes for public and private housing and completed as follows:

- Stage 1: Lygon and Rathdowne Streets (completed in June 2011)
- Stage 2: Keppel and Cardigan Streets (completed in September 2012)
- Stage 3: Elgin and Nicholson Streets (completed in April 2012).<sup>32</sup>

At a public hearing, Mr Stephen McMillan, Managing Director of Citta Property Group, provided a breakdown of the bedroom mix in the redeveloped Carlton public housing units. This is summarised in Table 1.5.

**Table 1.5** Summary of public housing unit mix, Carlton redevelopment

Site	1-bed	1.5-bed	2-bed	3-bed	4-bed	Total
Lygon-Rathdowne Streets	0	41	23	11	9	84
Keppel-Cardigan Streets	10	15	14	6	5	50
Elgin-Nicholson Streets	18	36	36	16	6	112
<b>Total</b>	<b>28</b>	<b>92</b>	<b>73</b>	<b>33</b>	<b>20</b>	<b>246</b>

Source: Stephen McMillan, Managing Director, Citta Property Group, *Documents tabled at public hearing*, 5 December 2017.

The redevelopment drew some criticism for a retaining wall that was constructed between a public housing unit complex and a neighbouring apartment block. Some stakeholders believed this was constructed to separate public and private

<sup>28</sup> Department of Health and Human Services, 'Carlton housing redevelopment: Progress report — January 2018', viewed 19 March 2018, <<http://www.housing.vic.gov.au>>.

<sup>29</sup> Abdullahi Jama and Kate Shaw, 'Why do we need social mix? Analysis of an Australian inner-city public housing estate redevelopment (Unpublished)', 2017, p. 14.

<sup>30</sup> Department of Health and Human Services, 'Carlton housing redevelopment: Progress report — January 2018', viewed 19 March 2018, <<http://www.housing.vic.gov.au>>.

<sup>31</sup> Abdullahi Jama and Kate Shaw, 'Why do we need social mix? Analysis of an Australian inner-city public housing estate redevelopment (Unpublished)', 2017, p. 13.

<sup>32</sup> Department of Health and Human Services, 'Carlton housing redevelopment: Progress report — January 2018', viewed 19 March 2018, <<http://www.housing.vic.gov.au>>.

tenants to maximise the developer's profit.<sup>33</sup> However, Mr McMillan told the Committee that this was a decision made by the Government, and that the private courtyard was part of the design for the private apartment complex.<sup>34</sup>

Committee members viewed the retaining wall during a site visit to the Carlton estate in February 2018. The Committee observed the wall appeared to be a retaining wall, and does not prohibit public housing tenants from accessing common areas. In addition, the private courtyard is available only to one of the private apartment complexes.

## 1.7 Measuring the value of social housing

It is very difficult to definitively measure the value of social housing. Intangible benefits to society include improvements in health and employment prospects for tenants, strengthening of community bonds on well-run estates, helping those previously in unstable housing, as well as a decrease in social costs to government (reduction in crime, for example). Ways of quantifying these benefits include analyses such as Social Return on Investment, Cost Utility Analysis, Wider Economic Impacts and Cost Benefit Analysis. However, it can be hard to compare the outputs of each of these methods, as they rely on different variables to produce their outcomes.

The Committee is aware that Infrastructure Victoria recently attempted to monetise the value of social housing using Social Return on Investment analysis and the 'benefit transfer' method. This is a way of determining a monetary value for impacts where prices do not exist, for example the social good of a program.<sup>35</sup> That research was continuing at the time of writing this Final Report, however with a shift away from social return towards estimating the impacts of social housing.

The Committee believes that there is value in pursuing this research. Governments should always develop policy that has an inherent social good, such as a strong social housing sector, even if the impact of such policy is difficult to measure. However, it is also useful to develop a common way of comparing the outcomes of different programs when deciding future policy.

**RECOMMENDATION 4:** That the Victorian Government fund Infrastructure Victoria to partner with the Department of Health and Human Services to measure the full social and economic value of social housing. The partnership should be based on the work previously undertaken by Infrastructure Victoria.

<sup>33</sup> For example, see Abdullahi Jama and Kate Shaw, 'Why do we need social mix? Analysis of an Australian inner-city public housing estate redevelopment (Unpublished)', 2017, p. 20.

<sup>34</sup> Stephen McMillan, Managing Director, Citta Property Group, *Transcript of evidence*, 5 December 2017, p. 29.

<sup>35</sup> Infrastructure Victoria, *Moving from evaluation to valuation*, Victorian Government, Melbourne, 2016.





# 2

## Public housing in Victoria

There are approximately 65,000 public housing units in Victoria owned and managed by the Director of Housing on behalf of the State. In addition, 19,000 community housing units are managed (and in some cases owned) by community housing providers.

This stock is ageing and not keeping up with the increased demand for social housing on the Victorian Housing Register. In addition, existing public housing stock is primarily three-bedroom units, when the greatest demand is for one- and two-bedroom units. (See sections 2.2 and 2.3 below for data.)

These issues are primarily a result of a lack of investment in public housing stock over many years. Victoria currently has the lowest level of social housing units per capita of all states in Australia.<sup>36</sup>

The Public Housing Renewal Program aims to address these issues by:

- Increasing the number of one- and two-bedroom units on each site, and incorporating flexible design so they can be reconfigured later if needed
- Refurbishing ageing stock that is high maintenance and does not meet the accessibility needs of tenants
- Increasing the number of public housing units on each site by at least 10 per cent.

### 2.1 Governance framework

Public housing in Victoria is governed under the *Housing Act 1983*. The key objective of the Act is to ensure that every person in Victoria has appropriate housing at a price within their means.<sup>37</sup> The Secretary of the Department of Health and Human Services (DHHS) is responsible for administering the Act. DHHS is responsible for managing public housing applications, asset management and procurement, and tenants. It is also responsible for developing social housing policy and administering housing programs.

Public housing tenants enter into a lease agreement under the *Residential Tenancies Act 1997*, with the Director of Housing as their landlord. New tenants are also required to sign a 'Neighbourly behaviour statement' as part of their tenancy agreement (see Appendix 4).

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<sup>36</sup> See Darebin City Council, *Submission*, no. 61, p. Attachment 1; Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 18; Professor Tony Burke, *Quantifying the shortfall of social and affordable housing*, Community Housing Federation of Australia, Melbourne, 2016.

<sup>37</sup> *Housing Act 1983* (Vic), 10020 of 1983, s. 6(1)(a).

## 2.1.1 Director of Housing

The Director of Housing is established under the *Housing Act 1983*.<sup>38</sup> The Director is appointed by Governor in Council and may be removed at any time.<sup>39</sup> The Director of Housing has the power to:

- Purchase or compulsorily acquire land for public housing
- Develop, manage, maintain and generally control public housing land.<sup>40</sup>

The Director of Housing sits within DHHS and reports to the Department's Secretary.

## 2.1.2 Funding

Public housing operational costs are funded by the Victorian and Australian governments. Funding is typically provided as:

- Income to cover operating costs
- Grants and initiatives
- Support for tenants.

The Director of Housing's core income covers the cost of running the public housing portfolio. This income comes from:

- Rent and other service fees paid by public housing tenants
- Funding from government grants and transfers.

In 2016–17, the Director of Housing's income from rent totalled \$465.1 million.<sup>41</sup>

Commonwealth funding is provided to the States under the National Affordable Housing Agreement. From 1 July 2018, this will be replaced by the National Housing and Homelessness Agreement, after a 2016 COAG report found that only one out of four benchmarks of the current agreement had been met. This is despite \$9 billion allocated since 2009. The new Agreement plans to continue existing funding of \$1.3 billion a year to all States and territories.

In 2018, the Federal Budget allocated Victoria \$350.8 million through the National Affordable Housing Agreement and \$395.5 million for the National Housing and Homelessness Agreement.<sup>42</sup> In addition, the Australian Government funds the Commonwealth Rental Assistance program, which is available to community housing tenants. Public housing tenants are not eligible for Rental Assistance.

<sup>38</sup> *Ibid.*, s. 9.

<sup>39</sup> *Ibid.*, s. 9(1)(a)(i)

<sup>40</sup> [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Community housing', viewed 7 December 2017, <<http://www.housing.vic.gov.au>>, pp. 14–15.

<sup>41</sup> Department of Health and Human Services, *Annual report 2016–17*, Victorian Government, Melbourne, 2017, p. 221.

<sup>42</sup> See <[https://www.budget.gov.au/2018-19/content/bp3/download/BP3\\_part2\\_affordable\\_housing.pdf](https://www.budget.gov.au/2018-19/content/bp3/download/BP3_part2_affordable_housing.pdf)>. The Victorian State Budget allocated \$23.9 million to match the Commonwealth funding for homelessness services.

In 2017, the Victorian Government announced the *Homes for Victorians* initiative, a suite of programs aimed at addressing broader issues in housing availability and affordability. Funding allocated to social housing initiatives under *Homes for Victorians* includes:

- \$185 million for the Public Housing Renewal Program
- \$120 million for an additional 913 social housing properties under the Social Housing Pipeline Program
- \$20 million for a redevelopment of vacant public housing land at Preston
- \$16 million for short-term housing for existing tenants where redevelopments occur.<sup>43</sup>

### 2.1.3 Previous audits of Victorian public housing

In June 2017, the Victorian Auditor-General's Office (VAGO) tabled an audit on *Managing Victoria's public housing*. In the audit, VAGO also assessed the progress that the Government had made on recommendations from a similar audit into public housing in 2012.<sup>44</sup> VAGO found that despite significant work from DHHS, action on each recommendation remained incomplete. Progress by DHHS included:

- Developing a framework for social housing policy in 2014 (however this was not supported after the change of government following the 2014 election)
- Contributing to development of the *Homes for Victorians* framework
- Finalising an asset strategy in 2014 and beginning work on updates in 2016
- Commissioning an audit of the condition of its properties in 2013–14, which assessed 96 per cent of public housing stock
- Commissioning various reviews of its operation performance on public housing.

VAGO's audit recommended that the Victorian Government:

- Develop a long-term strategic direction for public housing
- Monitor and evaluate the outcomes for public housing under *Homes for Victorians*
- Assess the financial and operational impacts on the community housing sector under *Homes for Victorians*
- Implement strategies to improve the financial sustainability of the public housing rental operating model.

<sup>43</sup> Victorian Government, *Homes for Victorians – Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 33.

<sup>44</sup> Victorian Auditor-General, *Access to public housing*, Victorian Auditor-General's Office, Melbourne, 2012.

It further recommended that DHHS:

- Implement a comprehensive public housing asset strategy
- Implement plans to overcome shortcomings with property condition assessments to improve asset planning decisions
- Optimally balance expenditure on all maintenance types.<sup>45</sup>

Many of the issues raised in the 2012 and 2017 audits were consistent with the evidence provided to this the Inquiry. The Committee reiterates the need for the Victorian Government to implement these recommendations to improve the strategic direction of public housing in Victoria.

## 2.2 Victorian Housing Register

The Victorian Housing Register was introduced in 2016 as a replacement for the former Public Housing Waiting List. The Register aims to consolidate and simplify the application process for public and community housing. It collates applications for all types of social housing in Victoria. This means applicants can apply for public and community housing simultaneously. Previously, applicants had to make separate applications and often applied to several community housing organisations at the same time. In addition, application processes differed between community housing providers.

The Register is being rolled out in two stages. Stage one began in 2016 and involved migration of all applications from the Public Housing Wait List to the Register. New applications were placed directly onto the Register. Stage two commenced in 2018 and will allow community housing organisations to become participants on the Register, including migration of their waiting lists. The Register is an opt-in process for community housing agencies and is not mandatory.

The second stage remained ongoing at the time of writing this Final Report.

The Register has two main sections:

- Priority Access: six categories covering applicants in urgent need of social housing
- Register of Interest: all other applications.<sup>46</sup>

Under the Victorian Housing Register, 90 per cent of public housing stock and 75 per cent of stock from participating community housing associations is allocated to Priority Access applications.<sup>47</sup> If a social housing tenant has an urgent need to transfer to a new home, they can apply for a Priority Transfer.

<sup>45</sup> Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. ix.

<sup>46</sup> See Appendix 5 for a summary of Victorian Housing Register categories.

<sup>47</sup> DHHS brief to committee.

A Special Housing Needs aged 55 years and over category was created in September 2017 to address growing demand in this demographic. This resulted in 4,000 applications moved from the Register of Interest to the Priority Access section.<sup>48</sup>

Demand for Priority Access housing has increased significantly in recent years. The Victorian Government has ascribed this increase to a combination of factors, including declining rental and housing affordability, population growth, and issues such as homelessness, family violence, disability and mental health. These factors have in turn led to a lower turnover in public housing tenants.<sup>49</sup>

As at 31 March 2018, there were 44,028 applications on the Victorian Housing Register. This was comprised of 36,742 new applications and 7,286 applications for a transfer.<sup>50</sup> Reasons for transfer requests include:

- Medical needs
- Property size unsuitable
- Redevelopment / property management
- Family violence
- Threat of violence
- Other (e.g. greater employment opportunity).<sup>51</sup>

Of the applications, over half request either public or community housing. A large number request public housing only and a very small number of people request community housing only.

DHHS advised the Committee that as at 31 March 2018, the number of people on the register was 82,499. This was comprised of 57,877 adults and 24,622 children.<sup>52</sup>

**FINDING 3:** At 31 March 2018, there were 44,028 applications on the Victorian Housing Register representing 82,499 people.

Mr Nick Foa, the Director of Housing, told the Committee that DHHS is also maintaining a separate Transition Report, which reports on the progress of transitioning approximately 15,500 community housing applications onto the Victorian Housing Register. At the time of writing this Final Report, the Department was about to begin this process, which includes reviewing all community housing applications to ensure that they are current and eligible for assistance.

Mr Foa explained that the Transition Report is not an indicator of demand for social housing because some community housing applications are likely to be duplicates, inaccurate, or out of date. Once the transition process is complete,

<sup>48</sup> Victorian Government, *Submission*, no. 172, p. 5.

<sup>49</sup> *Ibid.*, pp. 11–12.

<sup>50</sup> DHHS brief to committee.

<sup>51</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

<sup>52</sup> Department of Health and Human Services briefing to committee.

it will be possible to use the Victorian Housing Register to identify all current applications for public and community housing.<sup>53</sup> The Department expects to complete the Transition Report in 2019.

## 2.2.1 Eligibility tests

To be eligible for social housing, applicants must live in Victoria and:

- Be an Australian citizen or a permanent resident
- Comply with income and asset limits (see below)
- Not own or part-own a property.<sup>54</sup>

Income and asset limits differ depending on whether the application is for the Register of Interest or Priority Access housing. The limits are set by the Director of Housing and published in the Government Gazette.<sup>55</sup>

Income limits are calculated on the applicant's gross assessable income, which excludes non-assessable income, such as a carer's allowance.<sup>56</sup> Weekly income limits effective at the time of writing are listed in Table 2.1 below.

**Table 2.1** Income limits for social housing effective 1 April 2018

Household type	Register of interest	Priority access
Single	\$992	\$555
Couple	\$1,518	\$959
Family (one or two parents) with dependent children	\$2,047	\$995 (one dependent child) \$35 per each additional dependent

Source: [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Social housing income and asset limits', viewed 20 March 2018, <<http://www.housing.vic.gov.au>>.

The asset limits are as follows:

- Register of Interest: \$32,276 – this limit increases to \$107,588 for households which need major or full disability modifications.
- Priority Access: \$5,253.<sup>57</sup>

Public housing tenants pay rent at a rate of the lesser of 25 per cent of their income or the total market rent of the property. Any difference between what they pay and the market rate is subsidised by the Director of Housing. Tenants who receive a subsidy undergo an income assessment twice a year. Public housing tenants who are not receiving rent subsidies from the Director of Housing are not

<sup>53</sup> Ibid.

<sup>54</sup> [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Social housing', viewed 7 December 2017, <<http://www.housing.vic.gov.au>>.

<sup>55</sup> Department of Health and Human Services, *Victorian Housing Register – Eligibility policy framework*, Department of Health and Human Services, Melbourne, 2017, p. 4.

<sup>56</sup> [housing.vic.gov.au](http://www.housing.vic.gov.au), 'About income and asset limits', viewed 7 December 2017, <<http://www.housing.vic.gov.au>>.

<sup>57</sup> [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Social housing income and asset limits', viewed 15 April 2018, <<http://www.housing.vic.gov.au>>.

required to provide income details on a regular basis.<sup>58</sup> In Victoria, public housing tenants whose incomes improve are allowed to stay in their property. However, they must pay rent at a market rate instead of a subsidised rate.<sup>59</sup>

Applications are assessed as one of the following categories:

- Eligible
- Incomplete
- Duplicate application (information in the newer application is used to update a previous application)
- Split application (when new applicants who are a household member on another application a new application is created and they are removed from the previous one)
- Ineligible.<sup>60</sup>

If they are deemed eligible, the applicant will be placed on the Victorian Housing Register.

Applicants can nominate up to five ‘preferred location areas’ to live in.<sup>61</sup> These are suburbs or groups of nearby suburbs/towns throughout Victoria. In addition, applicants can nominate for ‘limited demand properties’. These are vacant properties and are generally located in low demand and more remote areas.<sup>62</sup>

Eligible applicants will be made a maximum of two reasonable offers. If an applicant on the Priority Access register declines two offers, they will be placed on the Register of Interest.<sup>63</sup> As at 30 June 2017, the average waiting time for Priority applicants to be placed in housing was 10.5 months.<sup>64</sup>

## 2.3 Supply of public and social housing in Victoria

Victoria has the lowest proportion of social housing units per capita of all States in Australia. Approximately 3.5 per cent of occupied units in Victoria are social housing, around 2.7 per cent of which is public housing.<sup>65</sup> This is lower than the national average of 4.5 per cent.<sup>66</sup>

<sup>58</sup> Victorian Government, *Submission*, no. 172, p. 12.

<sup>59</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

<sup>60</sup> Department of Health and Human Services, *Victorian Housing Register – Eligibility policy framework*, Department of Health and Human Services, Melbourne, 2017, p. 7.

<sup>61</sup> Department of Health and Human Services, ‘Preferred location areas and suburbs and towns’, viewed 17 January 2018, <<http://www.housing.vic.gov.au>>.

<sup>62</sup> Department of Health and Human Services, ‘Approved for social housing: what’s next?’, viewed 17 January 2018, <<http://www.housing.vic.gov.au>>.

<sup>63</sup> Department of Health and Human Services, *Victorian Housing Register – Eligibility policy framework*, Department of Health and Human Services, Melbourne, 2017, p. 8.

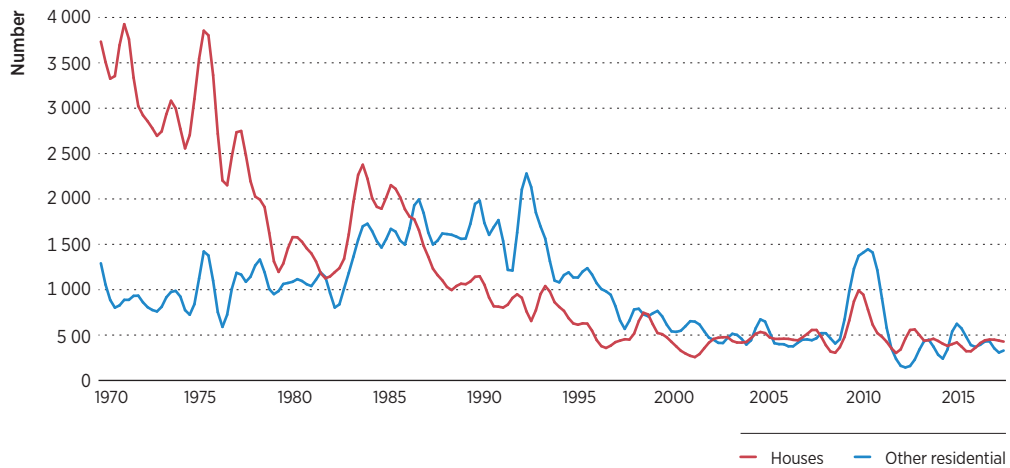
<sup>64</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

<sup>65</sup> See Darebin City Council, *Submission*, no. 61, p. Attachment 1; Victorian Auditor-General, *Managing Victoria’s public housing*, Victorian Auditor-General’s Office, Melbourne, 2017, p. 18; Professor Tony Burke, *Quantifying the shortfall of social and affordable housing*, Community Housing Federation of Australia, Melbourne, 2016.

<sup>66</sup> Victorian Auditor-General, *Managing Victoria’s public housing*, Victorian Auditor-General’s Office, Melbourne, 2017, p. 18.

Australia-wide, construction of public housing stock has declined since the 1970s. This is illustrated in Figure 2.1.

**Figure 2.1** Construction commencement of public housing in Australia.



Source: Compiled from ABS 8752.0, Table 33.

Although there has been an increase in the number of social housing units in Victoria in the past decade, the numbers decreased as a proportion of all housing.<sup>67</sup> According to VAGO, at 30 June 2016 there were 64,663 public housing units owned and/or managed by the Victorian Government and around 19,000 community housing units.<sup>68</sup> The stock is valued at approximately \$23 billion.<sup>69</sup>

Table 2.2 below lists all social housing stock (public housing plus housing managed by community housing organisations) owned by the Director of Housing at 30 June 2016, as reported by the Auditor-General.

**Table 2.2** Social housing stock owned by the Director of Housing at 30 June 2016

Type	Stock number
House	24,742
High-rise flat	7,569
Low-rise flat	7,330
Medium-density (attached)	28,061
Medium-density (detached)	2,462
Moveable unit	1,291
Multiple unit facility unit	1,329
Other	846
Total	73,630

Source: Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 6.

<sup>67</sup> Victorian Government, *Submission*, no. 172, p. 9.

<sup>68</sup> Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 1.

<sup>69</sup> *Ibid.*



VAGO's 2017 audit found that in 2016 the average age of public housing stock was 35 years, with 60 per cent of stock over 30 years old.<sup>70</sup> As at 31 December 2017, the average length of tenancy for public housing was 10.9 years.<sup>71</sup>

Stage one of the Public Housing Renewal Program aims to provide around 1,100 more public housing units across Melbourne.<sup>72</sup> In addition, under *Homes for Victorians* the Director of Housing will transfer management responsibility of around 4,000 public housing units to community housing agencies.<sup>73</sup>

### 2.3.1 Misalignment of existing stock and demand

One of the main priorities of the Public Housing Renewal Program is to match available public housing stock with demand on the Victorian Housing Register. Accordingly, most units built as part of the Program will have one or two bedrooms. Some Inquiry stakeholders were concerned about the impact that the proposed reduction of three-bedroom units would have on large families living in public housing.<sup>74</sup>

VAGO reported on this misalignment of public housing stock and demand in both its 2012 and 2017 public housing audits.<sup>75</sup> The Victorian Government's submission confirmed this, stating:

Approximately 80 per cent of applicants on the Victorian Housing Register need one- or two-bedroom properties, which make up less than 60 per cent of existing public homes. Addressing the legacy of this misalignment by increasing the proportion of smaller public homes, is a key objective of, and challenge for, the Department of Health and Human Services (DHHS), as we increase the number of units of housing.<sup>76</sup>

In its submission, the Government explained that this change in demand is due to a gradual demographic shift. Historically, public housing was required by large families. However, over time this has changed to smaller households. Currently, the average occupancy for each unit at each of the Public Housing Renewal Program sites is 1.7 people.<sup>77</sup>

Similarly, Housing for the Aged Action Group noted that older, single people are increasingly needing public housing. This has been acknowledged by the Government through introduction of the Priority Access category for people over 55.<sup>78</sup>

<sup>70</sup> Ibid., p. 14.

<sup>71</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

<sup>72</sup> Victorian Government, *Homes for Victorians — Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 33.

<sup>73</sup> Ibid., p. 34.

<sup>74</sup> Suzanne Crellin, *Submission*, no. 59. Attachment 1

<sup>75</sup> Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 21.

<sup>76</sup> Victorian Government, *Submission*, no. 172, p. 5.

<sup>77</sup> Ibid., pp. 10,20.

<sup>78</sup> Housing for the Aged Action Group, *Submission*, no. 18, p. 2.

In its 2017 audit, VAGO noted that realigning public housing stock in the short term is very difficult due to the high cost and disruption to tenants. However, it also noted that DHHS does not optimise existing stock by relocating tenants as their circumstances change.<sup>79</sup>

In an effort to address this, the Government stated that at least 10 per cent of the public housing stock constructed under the Public Housing Renewal Program will be 'flexible housing'. Flexible housing is housing that is built by constructing adjoining units that can be reconfigured into different layouts to meet the needs of different sized households.<sup>80</sup>

Table 2.3 shows the current number of applications based on bedroom number.

**Table 2.3 Applications on the Victorian Housing Register by bedroom number as at 31 December 2017.**

Bedroom number	Waiting list		Transfer list	
	Number	Percentage	Number	Percentage
1 bedroom	21,957	61.0	3,018	42.6
2 bedrooms	7,608	21.1	1,706	24.1
3 bedrooms	4,653	12.9	1,447	20.4
4 bedrooms	1,353	3.8	665	9.4
5+ bedrooms	442	1.2	244	3.4
Total	36,013	100.0	7,080	100.0

Source: Mr Nick Foa, Director of Housing, Department of Health and Human Services, Questions on Notice, 15 February 2018.

**FINDING 4:** The Public Housing Renewal Program aims to address the misalignment of the numbers of bedrooms in existing public housing stock and demand on the Victorian Housing Register.

### 2.3.2 Adequacy of the 10 per cent increase across the program

The requirement for a minimum 10 per cent increase in public housing stock at each site was a key issue raised during the Inquiry. Several stakeholders considered it inadequate, particularly due to the growing number of applications on the Victorian Housing Register.<sup>81</sup> This echoes concerns raised in VAGO's 2012 and 2017 audits of public housing, which noted that demand for public housing has exceeded supply over the last 15 years.<sup>82</sup>

<sup>79</sup> Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, pp. 20–22.

<sup>80</sup> *Ibid.*, p. 20.

<sup>81</sup> For example, see Grace Mugford, *Submission*, no. 42; Paul McCourt, *Submission*, no. 43; Deborah Patterson, *Submission*, no. 52.

<sup>82</sup> Victorian Auditor-General, *Managing Victoria's public housing*, Victorian Auditor-General's Office, Melbourne, 2017, p. 15.

The Committee received evidence analysing public and social housing stock levels compared to the projected future need. For example, in 2016, CHIA Vic commissioned research by Swinburne University's Professor Terry Burke into the shortfall in social and affordable housing in Victoria. The report on the research was released in November 2016 and found:

- Over 1,800 additional units per year would be required to keep social housing stock at the current 3.5 per cent of current housing in Victoria
- Over 6,000 additional units per year would be required to keep up with a projected demand of 101,592 eligible households in 2031
- Over 3,000 additional units per year would be required to meet the needs of 53,105 households projected to be eligible for Priority Access.<sup>83</sup>

In addition, Bayside, Boroondara and Stonnington councils commissioned economic consultants NERA to investigate the potential shortfall of social housing in their municipalities by 2022. The report estimated a total shortfall of 1,093 social housing units across the three municipalities, even with the 10 per cent increase under the Public Housing Renewal Program included. Table 2.4 summarises the data.

**Table 2.4** Summary of projected shortfall of social housing in the municipalities of Bayside, Boroondara and Stonnington to 2022

Municipality	Public housing units	Community-owned units	Total social housing units	Projected new units under PHRP	Projected social housing requirement by 2022	Projected shortfall
Bayside	1,201	93	1,294	120	1,773	359
Boroondara	702	83	785	70	1,076	221
Stonnington	1,783	84	1 867	178	2,558	513
<b>Total</b>	<b>3,686</b>	<b>260</b>	<b>3,946</b>	<b>368</b>	<b>5,407</b>	<b>1,093</b>

Source: Department of Health and Human Services, Social housing and specialist homelessness services additional service delivery data 2015-16, NERA and Sensing Value forecasts based on ABS projections, in NERA Economic Consulting, Analysis of the potential shortfall of social housing in the cities of Bayside, Boroondara and Stonnington by 2022, NERA Economic Consulting, Melbourne, 2017.

The report added that:

... the shortfall outlined in the table above may not represent the full extent of demand for social housing in the three cities, as it does not factor in a number of relevant considerations such as current and future waiting lists, dwelling types and potential drivers of future demand such as family violence.<sup>84</sup>

A number of submissions to this Inquiry also referred to the shortfall identified in the NERA report.<sup>85</sup>

<sup>83</sup> Professor Tony Burke, *Quantifying the shortfall of social and affordable housing*, Community Housing Federation of Australia, Melbourne, 2016.

<sup>84</sup> NERA Economic Consulting, *Analysis of the potential shortfall of social housing in the cities of Bayside, Boroondara and Stonnington by 2022*, NERA Economic Consulting, Melbourne, 2017, p. 2.

<sup>85</sup> Committee of Management of the North Carlton Railway Neighbourhood House, *Submission*, no. 112, p. 1.

Some inquiry stakeholders highlighted that the Public Housing Renewal Program will result in a loss of capacity as the 10 per cent increase refers to the number of available units. As some three-bedroom units will be replaced by one- and two-bedroom units, the result is a net loss in public housing bedrooms.

At a public hearing, Ms Stephanie Price, Principal Lawyer of West Heidelberg Legal Service, summarised the concerns. She told the Committee:

The plan promises a ten per cent increase to public housing on these estates, and we know that that comprises a figure of 110 units. We have got a couple of points to make about that. The first is that we question the usefulness of that number as an indicator of the impact that the Public Housing Renewal Program will in fact have on the capacity of public housing in this state. It is known, and it has likely been submitted here a number of times, that the Public Housing Renewal Program will in fact reduce the number of public housing bedrooms available for occupation by about a third where we can see. So where the documents have been made available we can see it is generally about a third reduction. In West Heidelberg the reduction is about ten per cent, but as one of the larger estates that comprises a loss of more than 30 bedrooms.

This is a significant reduction in public housing capacity. It would not make sense to demolish a 1000-bed hospital and replace it with two 400-bed hospitals and describe that as a doubling of hospital capacity.<sup>86</sup>

In its submission, the Victorian Public Tenants Association argued that the Program should be judged by how many more people are housed. It stated:

It would be better if the increase were in the number of residents housed on a particular site rather than the number of properties. We want to see an increase in bedrooms particularly where many of the properties are overcrowded. In order for tenants to exercise their right of return, there must be sufficient bedrooms under the relevant DHHS allocation policy for their families to come back to.

The lack of one and two bedrooms properties to house people has been a problem for many years statewide. It is not solved by not making adequate provision for families already housed on estates to be redeveloped. As a minimum returning tenants' needs must be satisfied in addition to creating more appropriately sized dwellings to tackle the waiting list. Replacing the larger three or more bedroom properties with smaller dwellings with fewer bedrooms shifts the problem somewhere else and is likely to change the existing community dynamic significantly at most estates.<sup>87</sup>

In a joint submission, Transforming Housing and Launch Housing advocated for a 50 per cent increase in total housing units across the Public Housing Renewal Program.<sup>88</sup>

As noted in Chapter 1, the Victorian Government has stated that the stock increase under the Public Housing Renewal Program should not be considered in isolation. The Program forms only one component of a number of social housing initiatives under the *Homes for Victorians* initiative.<sup>89</sup>

<sup>86</sup> Stephanie Price, Principal Lawyer, West Heidelberg Legal Service, *Transcript of evidence*, 5 December 2017, p. 4.

<sup>87</sup> Victorian Public Tenants Association, *Submission*, no. 70, p. 3.

<sup>88</sup> Transforming Housing and Launch Housing, *Submission*, no. 87, p. 5.

<sup>89</sup> Victorian Government, *Submission*, no. 172, p. 19.

At a public hearing, Mr Foa also addressed some of the above criticisms, explaining that the main purpose of the Program was to renew aging public housing stock. He said:

This program is called the Public Housing Renewal Program. People forget about the 100 per cent that are being replaced. We are replacing some of the worst stock in our portfolio; there is some other stuff that we need to replace as well. We are replacing 1661 dwellings with \$185 million worth of cash. We are leveraging that \$185 million into ... about \$800 million to \$900 million worth of balance sheet value.

...

They are terrific locations and we want to stay in those locations, and the best way we can stay in those locations and redevelop the stock we have got, renew the stock we have got and achieve a minimum of growth is turning \$185 million into the higher figure by leveraging that land value. The land value in total of Director stock — and this is a statewide thing, not a metro thing — would be less than 1.2 per cent of the land value of the Director of Housing assets statewide.<sup>90</sup>

The Committee acknowledges the funding provided by the Victorian Government under *Homes for Victorians* and that the Public Housing Renewal Program is only a single initiative under this policy. The Committee also understands that the key purpose of the program is to renew existing sites. However, the Public Housing Renewal Program is also the only initiative under *Homes for Victorians* dedicated solely to public housing.

The Committee also shares some concern about the reduction in overall capacity following redevelopment. The Committee accepts there is a need to realign public housing stock with the needs of those on the Victorian Housing Register. An increase in the number of bedrooms in and of itself will not affect the Victorian Housing Register. For example, replacing three-bedroom units with four-bedroom units will increase the number of bedrooms but will not help single people or couples in need of public housing, which is exactly where demand is highest. This is not to ignore the needs of large families, which the Committee discusses in Chapter 4.

Conversely, placing single people or couples in larger units would underutilise public assets. This would be alleviated by building enough public housing to accommodate the whole of the Victorian Housing Register. However, this clearly is not possible without a dramatic increase in funding for public housing. Absent of such an increase there will always be unmet demand for all sizes of public housing.

The Committee also accepts the many benefits of renewing public housing. For example, the review of the redevelopment of the Kensington estate found that the redevelopment had an ‘overwhelming impact’ on the pride that the residents felt in their homes. This pride greatly reduced any stigma attached to public housing.<sup>91</sup> As well, the Australian Housing and Urban Research Institute describes

<sup>90</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

<sup>91</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 101.

how well-designed public housing can blend in with private housing in such a way as to ensure such built environments ‘remain attractive to a broad range of households’.<sup>92</sup>

However, these gains should not come at the expense of a reduction in public housing capacity. It is imperative for the Victorian Government to use state-owned public housing land in prime locations to maximise the benefits to the public housing sector. Selling valuable public land is not a decision that should not be taken lightly. Any sale of land allocated for public housing should maximise the benefits for the sector.

**FINDING 5:** Continuous under-investment in public housing has failed to maintain public housing properties to an adequate level and has led to increasing, unmet demand for public housing. A higher investment in public housing is needed per year to remedy the shortfall in supply.

**RECOMMENDATION 5:** That the Victorian Government tie the Public Housing Renewal Program to a targeted decrease in the Victorian Housing Register.

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92 Australian Housing and Urban Research Institute, ‘Public housing renewal and social mix’, viewed 7 February 2018, <<https://www.ahuri.edu.au>>, p. 38.

# 3

## The planning process

The Victorian Government has declared the Public Housing Renewal Program a program of ‘State significance’. As such, the Government has made a series of amendments to the Victorian Planning Provisions. These amendments are based on recommendations made by the Social Housing Renewal Standing Advisory Committee, which the Minister for Planning appointed to consider planning proposals and make recommendations about the Program.

The Standing Advisory Committee also conducted a public consultation process that invited feedback from public housing tenants, local communities and local councils. The Standing Advisory Committee’s purpose was to consider planning matters only. Its Terms of Reference specifically excluded consideration of:

- The increasing demand for one- and two-bedroom social housing units
- The suitability of joint venture partnerships as a delivery model
- Leveraging public land to increase social housing
- The yields needed to achieve a ten per cent increase in social housing
- The appropriateness of community housing organisations administering social housing.<sup>93</sup>

At the end of the consultation process for each site, the Standing Advisory Committee prepared a report for the Minister with recommendations. It is the Minister’s decision whether to accept the recommendations of each report or not.

During the Inquiry, the Legal and Social Issues Committee heard complaints about how the consultation process had been administered. These included:

- Some confusion as to what the consultation was about, particularly as DHHS’s consultation on the Public Housing Renewal Program and its relocation process were occurring concurrently (this is discussed further in Chapter 4 of this Final Report)
- The Advisory Committee’s Terms of Reference being too narrow to address many key concerns of tenants and local residents
- Failure to meet the cultural and linguistic needs of some public housing tenants
- A perceived lack of transparency from the Government on key planning documents discussed at hearings.

The Committee also heard criticisms about the draft planning scheme amendments proposed by the Government. Key concerns included:

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<sup>93</sup> Minister for Planning, *Terms of reference – Social Housing Renewal Standing Advisory Committee*, Victorian Government, Melbourne, 2017, p. 4.

- The proposal to rezone each site as a Mixed Use Zone
- The appropriateness of using a Development Plan Overlay (DPO), including loss of appeal rights
- The Minister for Planning becoming the Responsible Authority for each site in place of the relevant local council.

These issues are discussed in this Chapter, including the Minister's response to the Standing Advisory Committee's recommendations. The outcomes of each recommendation have been included as Appendix 6 of this Final Report.

### 3.1 Social Housing Renewal Standing Advisory Committee

Under section 151 of the *Planning and Environment Act 1987*, the Minister for Planning may establish committees for advice on any matter. In March 2017, the Minister for Planning, on advice from the Minister for Housing, Disability and Ageing, referred eight of the nine sites of the Public Housing Renewal Program to the Social Housing Renewal Standing Advisory Committee.

The site at Bangs Street, Prahran was not referred as the required planning scheme amendments were already in place before the Program began.<sup>94</sup> In addition, the Standing Advisory Committee was referred the planning proposal for the renewal of the public housing estate at Flemington.<sup>95</sup>

The referral of planning scheme amendments to advisory committees for significant projects is not unusual. However, some stakeholders may not understand that the Standing Advisory Committee process differs from the regular planning process administered by local councils.

The Terms of Reference required the Standing Advisory Committee to hold a directions hearing<sup>96</sup> and public hearings for each site. After the hearings, the Standing Advisory Committee was required to submit a report on each site to the Minister within 20 business days. The reports are discussed further in section 3.1.2.

In its submission, the Victorian Government described the process as follows:

The establishment of the Advisory Committee is linked to *Plan Melbourne* commitments to streamline the decision-making process for social housing proposals. It potentially reduces the length of the process, which can take from 18 months to three years normally, to approximately six months, enabling much-needed social housing to be provided in a timely manner for people in need.<sup>97</sup>

...

<sup>94</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 21.

<sup>95</sup> Minister for Planning, *Terms of reference – Social Housing Renewal Standing Advisory Committee*, Victorian Government, Melbourne, 2017, p. 7.

<sup>96</sup> A directions hearing is one in which the Standing Advisory Committee outlines its process and procedure.

<sup>97</sup> Victorian Government, *Submission*, no. 172, p. 26.



The process for the Social Housing Renewal Standing Advisory Committee is not new. Advisory committees are an established feature of the Victorian planning system, and may be appointed by the Minister for Planning to consider specific development proposals or to review planning policies. They obtain public input and provide assessment of issues.<sup>98</sup>

### 3.1.1 Public consultation process

The Standing Advisory Committee's public consultation process is as follows:

1. Standing Advisory Committee receives a briefing from DHHS
2. Public exhibition of each planning proposal
3. Directions and public hearings
4. Report submitted to the Minister for Planning.<sup>99</sup>

Under its Terms of Reference, the Standing Advisory Committee is required to consider the following matters for each site's planning proposal:

- Relevant submissions
- The appropriateness of the proposal under:
  - Key strategies, in particular Homes for Victorians and Plan Melbourne
  - The objectives of the *Planning and Environment Act 1987* and the Victorian Planning Provisions
- Whether the Minister for Planning should act as Responsible Authority for each site
- Whether the proposed changes to the planning scheme and/or planning permits should be approved, including any recommended changes.<sup>100</sup>

The Standing Advisory Committee began its process with a briefing from DHHS on 11 April 2017 before inspecting six of the sites on 4 May 2017.<sup>101</sup> The Standing Advisory Committee then commenced the public exhibition process for the Flemington Site in June 2017. Consultations for other sites occurred between August and October 2017. Most of the hearings were held at 1 Spring Street, with extra sessions conducted at North Melbourne and Brighton where suitable facilities were available.<sup>102</sup>

For each site, the process included:

- A 20-day period inviting written submissions

<sup>98</sup> Ibid., p. 28.

<sup>99</sup> Minister for Planning, *Terms of reference – Social Housing Renewal Standing Advisory Committee*, Victorian Government, Melbourne, 2017.

<sup>100</sup> Ibid., p. 4.

<sup>101</sup> Kathy Mitchell, Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, p. 3.

<sup>102</sup> Ibid., p. 4.

- The Department of Environment, Land, Water and Planning (DELWP) notifying the local council, relevant government agencies or service providers, and neighbours of the site
- DHHS notifying public housing tenants who are affected by the proposal
- Advertisements about the process placed in local newspapers.

Each public hearing included presentations from DHHS, DELWP, the relevant local council and various people who had made submissions during the exhibition process.

At the time of writing, consultation had concluded for six of the nine sites referred to the Standing Advisory Committee. This is summarised in Table 3.1.

**Table 3.1** Status of the Social Housing Renewal Standing Advisory Committee’s public consultation process

Site	Parties notified by DELWP	Submissions received	Report submitted	Planning scheme amendments gazetted
Flemington estate	7,768 owners/occupiers 28 community groups	193	10/11/17	29/3/18
Gronn Place, Brunswick West	3,869 owners/occupiers 4 community groups	30	10/11/17	29/3/18
Bellbardia and Tarakan estates, Heidelberg West	2,793 owners/occupiers 13 community groups	24	10/11/17	29/3/18
Walker Street, Northcote	840 owners/occupiers 4 community groups	46	10/11/17	29/3/18
New Street, Brighton	852 owners/occupiers 4 community groups	127	18/12/17	29/3/18
Abbotsford Street, North Melbourne	5,706 owners/occupiers 3 community groups	81	13/12/17	29/3/18
Ascot Vale estate	-	-		
Noone Street, Clifton Hill	-	-	Not yet commenced, pending further direction from Minister	
Bills Street, Hawthorn	-	-		

Source: Compiled by the Legal and Social Issues Committee.

While the Standing Advisory Committee’s Terms of Reference required non-confidential submissions to be ‘made available for public inspection’, the submissions were not made available online.<sup>103</sup> In addition, submissions are not available for review after the hearings are finished.<sup>104</sup>

Ms Mitchell explained that this is due to the Standing Advisory Committee’s privacy policy. She told the Committee:

<sup>103</sup> Minister for Planning, *Terms of reference – Social Housing Renewal Standing Advisory Committee*, Victorian Government, Melbourne, 2017, p. 4.

<sup>104</sup> Kathy Mitchell, Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, p. 4.

We note in our privacy policy that ‘the purpose of your submission is to inform our committee’ or our panel, or whatever matter it is that we are dealing with, and ‘once the hearing process is over your submission won’t be made publicly available’. It protects the privacy of the submitters in particular, particularly individual submitters. If it is a council submission, they do not mind so much, but a lot of individual submitters put a lot of quite sensitive information in their submissions, and we like to protect their privacy in doing so and they like to be comforted that their submissions will not be used for any other purpose but for informing the committee.<sup>105</sup>

### 3.1.2 Social Housing Renewal Standing Advisory Committee reports

The Standing Advisory Committee submitted its final reports to the Minister for Planning for the six sites which have completed the consultation process in November and December 2017. The reports are discussed further throughout this Chapter.

It also submitted a Common Issues Report to the Minister on 10 November 2017. The Common Issues Report provided an overview of issues discussed in the hearings that were common across all the sites. These included:

- Consistency of the planning proposals with the Victorian planning and policy framework
- Planning tools and Ministerial Direction on Form and Content of Planning Schemes
- The approach to each site’s DPO
- Car parking
- Development contributions
- Public open space
- Social impacts.<sup>106</sup>

The Standing Advisory Committee also made three recommendations to the Public Housing Renewal Program overall:

- Prior to the draft amendments being submitted to the Minister for Planning for approval, that DHHS work with DELWP to make any adjustments required to ensure they are consistent with the Ministerial Direction on the Form and Content of Planning Schemes
- Prior to the approval of each amendment, that DHHS work with the relevant Council to reach agreement regarding a development contribution in respect of the private component of each redevelopment proposal, and make any amendments to the relevant DPO schedule as required

<sup>105</sup> Ibid.

<sup>106</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 – Common Issues*, Victorian Government, Melbourne, 2017, p. 4

- The Minister for Planning assume Responsible Authority status for all referred sites.<sup>107</sup>

In addition, the Common Issues Report highlighted that many tenants and local residents discussed issues outside the Standing Advisory Committee's Terms of Reference at the hearings. The Standing Advisory Committee's Chair, Ms Kathy Mitchell, told this Committee that the Standing Advisory Committee accepted evidence outside of its scope during its consultation process, although it could not comment on these issues in its reports.<sup>108</sup>

The key issues raised in the hearings that were outside of the Standing Advisory Committee's Terms of Reference are shown below:

- Overall project:
  - Finality about the sale of public land for private development
  - Mix of private housing with public tenants
  - Excessive number of new private dwellings being built, and not enough social housing dwellings
  - The overwhelming extent and detail of the proposal and the inability for many tenants to be engaged and to understand the planning aspects and the overall development concept
  - Lack of feedback and engagement — concern that not many residents were aware of the proposals
  - Lack of feedback and engagement with both residents and neighbours
  - Parking related to intensive use of the adjoining Dunstan Reserve (Brunswick West)
  - Walls between the proposed development and abutting properties
  - Compensation to be paid for any properties acquired.
- Tenancy issues:
  - Guarantees about the ability of residents to return to the estates after redevelopment
  - The logistics and timing of the relocation of residents
  - Maintenance and security on the Estates
  - Ongoing drug and mental health, depression issues prevalent.
- Building and design issues:
  - Loss of three bedroom-dwellings — not being replaced with like for like
  - Accommodation for larger families

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<sup>107</sup> Ibid.

<sup>108</sup> Kathy Mitchell, Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, p. 4. See Clause 40 in the Standing Advisory Committee's Terms of Reference at Appendix 9 of this Final Report.

- Separate bathrooms and toilets.<sup>109</sup>

## 3.2 Stakeholder issues with consultation process

Government departments face a number of challenges when explaining a program such as the Public Housing Renewal Program to the public, including:

- The program’s size and complexity
- The fact that it is a ‘work in progress’
- The varied cultural backgrounds of tenants
- The fact that different tenants have different expectations.

Given this, the Committee still believes that lessons can be learnt from the process to date.

Ms Sarah Carlisle, the Standing Advisory Committee’s Deputy Chair, acknowledged that there had been some confusion surrounding the purpose of the hearings. For example, some residents believed that the indicative designs provided as part of the consultation were in fact the final plans (see Appendix 7 for an example of the indicative designs provided at North Melbourne).

Ms Carlisle said:

DHHS prepared what they call indicative development proposals that met the guidelines or the criteria in the Development Plan Overlay — for example, each of the documents had drawings of what might be developed on the site if the heights and the setbacks that were proposed were implemented. But these were indicative only, and we must admit it did cause some confusion with submitters because planning is quite a complex matter. Some people did not understand what an indicative proposal was, and they thought they were commenting on a proposed redevelopment. But it was made very clear, and we tried to emphasise this as much as we could at the hearings, that this is not the final development proposal.<sup>110</sup>

Ms Carlisle added:

So we spent quite a lot of time through the hearings explaining that this was one version of what could be built and this was developed to inform the sort of framework, and we were really considering things a step back from something as specific as that. We were considering whether the framework that was being put in place was appropriate. Things like building heights, building mass, traffic and parking issues, loss of trees, loss of open space — all of those planning issues were exactly what we ventilated at the hearings.<sup>111</sup>

Further examples follow.

<sup>109</sup> Social Housing Renewal Standing Advisory Committee, *Report No. 1 — Common Issues*, Victorian Government, Melbourne, 2017 p. 6.

<sup>110</sup> Sarah Carlisle, Deputy Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, pp. 4-5.

<sup>111</sup> *Ibid.*, pp. 7-8.

### 3.2.1 Administration of consultation process

Inquiry stakeholders were critical of some aspects of how the Standing Advisory Committee's consultation process was administered. This was exacerbated by the Standing Advisory Committee's process running concurrently with DHHS's broader consultation process on the Public Housing Renewal Program (discussed in Chapter 4).

In its submission, the Coalition of Community Legal Centres described the Standing Advisory Committee's public hearing process as 'overly bureaucratic'. It also criticised the need for submissions to be made in writing, as this may have been a significant challenge to some public housing tenants who do not speak English as a first language.<sup>112</sup>

The Committee notes that the Standing Advisory Committee provided translators at the sessions it held at the Flemington site.<sup>113</sup> As well, the Public Housing Renewal Program website contained information in seven languages other than English.<sup>114</sup>

In its submission to this Inquiry, the Flemington Association described accessibility issues that arose during the public consultation process for the Flemington Estate renewal. It wrote:

The four-week "exhibition period" since the Development Plan Overlay and supporting documents were released is also unsatisfactory. The plans were initially made available online, with hard copies later made available at specific locations. There were difficulties in accessing the documents, trying to understand them and break them down into a form that would be accessible to residents, many of whom face language, cultural and other issues. Information sessions were belatedly arranged by DHHS and Council, but the information provided was generally very limited in form.<sup>115</sup>

North Brighton Residents Action Group was highly critical of the process, believing local residents had been treated with 'contempt' throughout the process. It also noted that one of its representatives made a Freedom of Information application to the Minister for Planning to obtain data required to inform a submission. The application was not answered in the time required under the *Freedom of Information Act 1982* and any further action would require a complaint to be made to the Victorian Information Commissioner.<sup>116</sup>

112 Coalition of Community Legal Centres, *Submission*, no. 124, p. 4.

113 Kathy Mitchell, Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, p. 7.

114 housing.vic.gov.au, 'Public Housing Renewal Program', viewed 26 March 2018, <<http://www.housing.vic.gov.au>>.

115 Flemington Association, *Submission*, no. 99. Attachment 1 p. 2.

116 North Brighton Residents Action Group, *Submission*, no. 169, p. 3.

North Brighton Residents Action Group also highlighted procedural concerns with the hearing process caused by DHHS's redrafts to a DPO.<sup>117</sup> Mr Richard Holt, a neighbour of the New Street estate and member of the North Brighton Residents Action Group, described how multiple planning documents created confusion at the Brighton estate hearing. He told the Committee:

At the Brighton Standing Advisory Committee hearing ... third and fourth sets of key documents were circulating, and there was a reference made at one point to a document that nobody had seen, not even the chair of the committee, at which stage a three-part conversation started to occur in the room between lawyers for Bayside council, DHHS and the chair, at which point it was up to me as a community member to say, 'This is not appropriate'.<sup>118</sup>

In its submission, the Government advised that the Standing Advisory Committee instructed DELWP to provide additional consultation due to inconsistencies in documents initially provided for exhibition. This occurred at the following sites:

- Gronn Place, Brunswick East
- Bellbardia and Tarakan Estates, Heidelberg West
- Walker Street, Northcote
- Abbotsford Street, North Melbourne.

Submitters and nearby residents were sent supplementary information and provided extra time to comment on these changes prior to the hearing.<sup>119</sup>

By way of contrast, VCOSS was concerned that delays caused by a drawn out planning consultation process would cause additional stress and uncertainty to public housing tenants. It wrote:

VCOSS supports opportunities for people to engage with and provide their views on planning decisions. However, these processes need to be managed carefully and respectfully and conducted in a timely manner. Planning consultation should not be unnecessarily drawn out, given Victoria's acute shortage of social housing. VCOSS understands there are many examples of estates being demolished, and then simply standing vacant for many years while planning, building and financing decisions were made. For example, large parts of the Huttonwood estate in Preston were demolished in 2011. However, planning delays and disputes prevented new homes being constructed, with the project only being given planning approval this year.<sup>120</sup>

These views highlight the difficult balancing process involved when Departments are under pressure to improve public housing, yet must do so without rushing the process and thereby alienating some tenants.

<sup>117</sup> Ibid., p. 7.

<sup>118</sup> Richard Holt, *Transcript of evidence*, 10 November 2017, p. 44.

<sup>119</sup> Victorian Government, *Submission*, no. 172, p. 29.

<sup>120</sup> Victorian Council of Social Service, *Submission*, no. 139, p. 5.

The Standing Advisory Committee addressed stakeholder concerns in its reports. For example, in its report on the New Street, Brighton site it stated that redrafting planning proposals based on stakeholder feedback had been a key outcome of the public hearing process. The Standing Advisory Committee wrote:

One of the purposes of the [Standing Advisory] Committee process is to provide a transparent and consultative forum in which the issues raised in submissions can be fully explored and tested. This often results in proposed planning controls evolving iteratively through the process. In this case, submitters representing the interests of Estate residents, neighbours and other potentially affected third parties did so very effectively, and the Committee is confident that the Hearing provided an opportunity for the issues to be fully and properly ventilated.<sup>121</sup>

**RECOMMENDATION 6:** That the Department of Health and Human Services and the Social Housing Renewal Standing Advisory Committee consider the issues raised in this Final Report when determining the process for future public consultation sessions. In particular:

- The Public Housing Renewal Program website must be updated frequently and accurately
- Provide a clearer explanation of what indicative plans are
- Stakeholders must be presented with the minimum number of documents possible to avoid confusion
- Improve communication for tenants using plain language and support for those with English as a second language.

### 3.2.2 Publication of reports

Throughout this Inquiry, the Committee heard concerns that the Standing Advisory Committee's final reports would not be published, thereby reducing transparency of the planning amendment process.

The Minister for Planning is not required to make reports from advisory committees public. Ms Mitchell advised that when advisory committee reports are completed they become the property of the Minister. Accordingly, the Minister has discretion whether or not to release the reports. However, the Minister for Planning published the six complete reports along with his response to the recommendations on 29 March 2018.<sup>122</sup>

## 3.3 Planning overview

Each of the Public Housing Renewal Project sites is located in a different municipality, as shown in Table 3.2.

<sup>121</sup> Social Housing Renewal Standing Advisory Committee, *Report No 7 - New Street, Brighton*, Victorian Government, Melbourne, 2017, pp. 6–7.

<sup>122</sup> Kathy Mitchell, Chair, Social Housing Renewal Standing Advisory Committee, *Transcript of evidence*, 15 February 2018, p. 9.



**Table 3.2** List of Public Housing Renewal Program sites by municipality

Public housing site	Municipality
Abbotsford Street, North Melbourne	Melbourne
Ascot Vale estate	Moonee Valley
Bangs Street, Prahran	Stonnington
Bellbardia and Tarakan estates, Heidelberg West	Banyule
Bills Street, Hawthorn	Boroondara
Gronn Place, Brunswick West	Moreland
New Street, Brighton	Bayside
Noone Street, Clifton Hill	Yarra
Walker Street, Northcote	Darebin

Source: Compiled by the Legal and Social Issues Committee.

The State Planning Policy Framework provides the overarching planning policy and objectives for land use in Victoria. Each local council has its own local planning policy framework to guide future development of the municipality. This must align with the objectives of the State Planning Policy Framework.

All Victorian land is covered by zones from a set of statewide standards. These specify land purpose and contain controls on buildings, works and subdivisions. Specific sites or areas may include an overlay in addition to the zone requirements.

The Government must amend the local planning schemes in each municipality for the Public Housing Renewal Program to be implemented.<sup>123</sup> These must be approved by the Minister under section 35 of the *Planning and Environment Act 1985* and approval is published in the *Government Gazette*.

Each planning proposal that was referred to the Standing Advisory Committee was in the form of a draft planning scheme amendment. These were prepared by DHHS in consultation with DELWP. The zoning changes are discussed below.

### 3.4 Proposed rezoning

Initially, the Victorian Government proposed rezoning the Public Housing Renewal Program sites to Mixed Use Zones. Several Inquiry stakeholders were critical of this as they considered the allowances of the Zone too broad and inconsistent with adjoining residential zones. For example, in its submission, the 3081 Community Development Renewal Group considered rezoning inappropriate for the Bellbardia and Tarakan estates. It wrote:

We understand that the redevelopment of the estates will include the provision of spaces for non-residential uses (mixed use, including commercial and retail). These spaces should largely be used to support community integration and not

<sup>123</sup> Excluding the Bangs Street, Prahran site. See section 3.1.

retail or full cost commercial as these would affect the viability of a Bell Street Mall redevelopment. More appropriate uses for these spaces would be homework clubs, studios for music making and other meaningful activities for children and teenagers. Initiatives aimed at young people would be particularly important in an area like Heidelberg West.<sup>124</sup>

Darebin City Council provided this Committee with a copy of its submission to the Standing Advisory Committee regarding the Walker Street, Northcote site. The Council argued that a Mixed Use Zone is the ‘wrong zone’ for the site, explaining:

Council submits that the Walker Street Estate is located in a confined residential precinct bounded by Westgarth Street, High Street and the Merri Creek. Although there is land on the east side of High Street within the Commercial 1 Zone, Council considers from a land use perspective that the wide road reserve of High Street and High Street Close provides a strong physical separation from this land and High Street provides a clear physical boundary between the two areas from a land use perspective.

Further, the Walker Street Estate is not located in a local neighbourhood activity centre or around a train station, and is not identified in the Darebin Economic Land Use Strategy or MSS [Municipal Strategic Statement] as a place where employment/business activity is to be encouraged.<sup>125</sup>

Darebin City Council considered the Residential Growth Zone appropriate for the site due to its constraints on retail and commercial activity.<sup>126</sup> Similarly, Bayside City Council argued against rezoning the New Street, Brighton site to a Mixed Use Zone and in favour of retaining the existing General Residential Zone.<sup>127</sup>

Moreland City Council was of the view that any redevelopment of the Gronn Place estate should reflect current zoning. As such, it proposed to the Standing Advisory Committee:

- Any new development does not exceed the current maximum building height and is sensitive to the single-storey residential character on the northern and eastern boundaries
- Density is only increased to allow 50 per cent more housing.<sup>128</sup>

Other submitters against zoning changes include Mr Richard Agar<sup>129</sup> and Mr Jack Mahoney.<sup>130</sup>

Similar concerns were expressed by stakeholders during the Standing Advisory Committee’s public consultation process. Despite this, the Standing Advisory Committee found that the Mixed Use Zone was the ‘appropriate zone’ for all sites,

<sup>124</sup> 3081 Community Development Renewal Group, *Submission*, no. 84, p. 1.

<sup>125</sup> Darebin City Council, *Submission*, no. 61, pp. 20–21.

<sup>126</sup> *Ibid.*, p. 21.

<sup>127</sup> Bayside City Council, *Submission*, no. 95, p. 6.

<sup>128</sup> Moreland City Council, *Submission*, no. 133, p. 7.

<sup>129</sup> Richard Agar, *Submission*, no. 21, p. 4.

<sup>130</sup> Jack Mahoney, *Submission*, no. 55., Attachment 1

apart from: New Street, Brighton; Tarakan estate, Heidelberg West; and Walker Street, Northcote. It recommended these three sites be rezoned as Residential Growth Zones with tailored schedules.<sup>131</sup>

The Minister's Response supported the Residential Growth Zone at the New Street and Tarakan estate sites. However, it was not supported at the Northcote site. The Minister stated:

The application of the Mixed Use Zone is more appropriate given the building envelopes (up to eight storeys) provided for in the Development Plan Overlay — Schedule 13. The Residential Growth Zone is more suited to less intensive development. Non-residential uses on the site can be appropriately managed by the Department of [Health] and Human Services.<sup>132</sup>

Table 3.3 provides a summary of the zoning changes following the Standing Advisory Committee reports.

**Table 3.3** Existing and proposed zoning of public housing sites

Public housing site	Zoning prior to Standing Advisory Committee reports	Zoning following Standing Advisory Committee reports
Abbotsford Street, North Melbourne	General Residential Zone	Mixed Use Zone
Gronn Place, Brunswick West	General Residential Zone	Mixed Use Zone
New Street, Brighton	General Residential Zone	Residential Growth Zone
Tarakan estate, Heidelberg West	General Residential Zone	Residential Growth Zone
Bellbardia estate, Heidelberg West	General Residential Zone	Mixed Use Zone
Walker Street, Northcote	Neighbourhood Residential Zone	Mixed Use Zone
Bangs Street, Prahran	Activity Centre Zone	No change
Flemington Estate <sup>(a)</sup>	General Residential Zone	Mixed Use Zone
Ascot Vale estate	General Residential Zone	Consultation not yet commenced
Bills Street, Hawthorn	General Residential Zone	Consultation not yet commenced
Noone Street, Clifton Hill	General Residential Zone	Consultation not yet commenced

(a) Not part of the Public Housing Renewal Program.

Source: Compiled by the Legal and Social Issues Committee.

Under the State Planning Policy Framework, the purpose of a Mixed Use Zone is to:

- Provide for a range of residential, commercial, industrial and other uses which complement the mixed use function of the locality
- Provide housing at higher densities

<sup>131</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, pp. 14–15.

<sup>132</sup> Minister for Planning, *Response to Social Housing Renewal Standing Advisory Committee's Report No. 5 – Walker Street*, Melbourne, 2017.

- Encourage development that reflects existing neighbourhood characteristics.<sup>133</sup>

General Residential Zones and Neighbourhood Residential Zones have a height limit (11 metres/three storeys and nine metres/two storeys, respectively), which can be increased by agreement with the local council. In addition, each zone has a minimum garden area requirement for new residential developments.

Mixed Use Zones do not have height limits. Rather, the limits are specified in a schedule to the Zone in the relevant planning scheme. There is also no minimum garden area.

On 29 March 2018, a series of planning amendments were gazetted based on the planning amendments recommended by the Standing Advisory Committee. These are collated below, including whether the changes were against or in line with the Standing Advisory Committee's recommendations. Recommended set back limits and heights have been collated in Appendix 8 of this Final Report.

Approved Planning Scheme changes as at 29 March 2018:

- Abbotsford Street, North Melbourne (Melbourne Amendment C306):
  - Applies the Residential Growth Zone to the whole site rather than part of it (against Standing Advisory Committee recommendation)
  - Includes the mandatory five-storey heights across the whole site (in line with Standing Advisory Committee recommendation)
  - Does not include the proposed changes to Clause 21.04 and 21.06 (in line with Standing Advisory Committee recommendation)
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
- Bellbardia, Heidelberg West (Banyule Amendment C118):
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
  - No amendment made to Clause 21.06-2 (in line with Standing Advisory Committee recommendation)
- Tarakan estates, Heidelberg West (Banyule Amendments C150, C118):
  - Applied the Residential Growth Zone to Schedule 3 (in line with Standing Advisory Committee recommendation)
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)

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<sup>133</sup> Department of Environment, Land, Water and Planning, *State Planning Policy Framework – Mixed Use Zone*, Victorian Government, Melbourne, p. 1.

- No amendment made to Clause 21.06-2 (in line with Standing Advisory Committee recommendation)
- Gronn Place, Brunswick West (Moreland Amendment C170):
  - Amend Clause 22.01-3 ‘Ensure the new higher density’ (in line with Standing Advisory Committee recommendation)
  - Amends Schedule 2 to include the recommended language (in line with Standing Advisory Committee recommendation)
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
- New Street, Brighton (Bayside Amendment C157):
  - Includes the mandatory six storey heights (in line with Standing Advisory Committee recommendation)
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
- Walker Street, Northcote (Darebin Amendment C180):
  - Applied a Mixed Use Zone (against Standing Advisory Committee recommendation)
  - No reference to the proposed mandatory heights as recommended by the SAC (against Standing Advisory Committee recommendation)
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
- Debney’s precinct, Flemington (Moonee Valley Amendment C177<sup>134</sup>):
  - Amended DPO only includes a provision for a Community Engagement Report (varied approach to Standing Advisory Committee recommendation)
  - No update to Framework Plan (against Standing Advisory Committee recommendation)
  - Amend clause 21.06-17 to include the recommended text (in line with Standing Advisory Committee recommendation)

SAC Committee Recommendation: Deletion of Clause 1.0 ‘A permit may be granted for use or to subdivide land or to construct a building or to construct or carry out works that is not in accordance with the Development Plan.’ As there are no amendments to Clause 1.0 for any Planning Schemes it can be assumed the Minister removed the proposed text as recommended by the Standing Advisory Committee.

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<sup>134</sup> Referred to the Standing Advisory Committee but not part of the Public Housing Renewal Program.

## 3.5 Development Plan Overlays

A DPO is defined as:

... a built form control in the local Planning Scheme that guides, but does not prescribe, the future use and development of the land. Once a DPO is approved, a developer of land under the overlay must prepare a Development Plan for the site which is more prescriptive on the detail of the future development, prior to seeking approval of a Planning Permit.<sup>135</sup>

The specific requirements for the Development Plan are detailed in a framework contained in a DPO schedule to the local planning scheme. In its submission, the Government listed additional planning requirements that must be included in a Development Plan for each of the sites:

- Site context analysis
- Preliminary architectural plans
- Integrated transport and traffic management plan
- Arboriculture assessment report
- Landscape and open space plan
- Ecological sustainable development plan
- Services and infrastructure plan
- Environmental site assessment
- Staging plan.<sup>136</sup>

### 3.5.1 Appropriateness of using a Development Plan Overlay

To date, out of the nine Public Housing Renewal Program sites:

- Five have had a DPO approved and gazetted
- Three are yet to commence the Standing Advisory Committee process, pending direction from the Minister
- Bangs Street, Prahran already had a DPO in place.

Several Inquiry stakeholders raised concerns about the use of a DPO for each site, particularly in comparison to other planning mechanisms, such as a Design and Development Overlay. According to the Standing Advisory Committee's Common Issues Report, the Government's rationale for choosing a DPO included allowing flexibility for modifications to be made to Development Plans prepared for each site.<sup>137</sup>

<sup>135</sup> Victorian Government, *Submission*, no. 172, p. 26.

<sup>136</sup> *Ibid.*, pp. 27–28.

<sup>137</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 16.

In its submission, the Coalition of Community Legal Centres argued that the use of a DPO contravenes the policy direction in *Plan Melbourne* to strengthen planning in delivering social housing.<sup>138</sup>

Policy 2.3.3 in *Plan Melbourne* states:

There are currently several planning-related barriers to the delivery of more social and affordable housing— including a lack of clarity in legislation and planning provisions on what constitutes affordable housing, and the absence of clear planning tools or mechanisms to require the provision of social or affordable housing as part of the planning process. Current approaches (such as requiring section 173 Agreements under the *Planning and Environment Act 1987* or applying requirements through tools such as Development Plan Overlays) have been criticised for not being sufficiently robust and inequitably applied.<sup>139</sup>

The Coalition of Community Legal Centres was particularly concerned about the loss of third party appeal rights under a DPO (see section 3.5.2 below).

To address these issues, the Coalition of Community Legal Centres recommended use of a different planning mechanism to preserve appeal rights, such as a Design and Development Overlay.<sup>140</sup>

Similarly, North Brighton Residents Action Group believed the Government had not justified the use of a DPO. It argued that an Incorporated Plan Overlay would be more appropriate.<sup>141</sup>

Mr Jack Mahoney, a Brighton resident who made a submission to the Inquiry, considered the DPO schedule for the New Street site as ‘too discretionary’. He believed the guidelines for built form outcomes (specifically heights, setbacks and key boundary interface treatments) should be made mandatory.<sup>142</sup>

The Flemington Association considered there to be ‘real problems’ with the DPO that was submitted with the planning scheme amendment for the Flemington estate. The Association was concerned about the DPO’s utility as a planning tool and what it considered to be negative impacts on the community.<sup>143</sup>

Darebin City Council broadly supported the use of a DPO for the Walker Street, Northcote site. However, it raised concerns over the inconsistencies with the overlay Practice Note for DPOs<sup>144</sup> and what the DPO aims to achieve at the site. Darebin City Council explained:

In Council’s view, the use of the DPO is not a neat fit into the guidance provided by Practice Note 23. In particular, the Walker Street Estate has a long and exposed interface to an established residential area which is unlikely to change, the proposed

<sup>138</sup> Coalition of Community Legal Centres, *Submission*, no. 124, p. 3.

<sup>139</sup> Department of Environment, Land, Water and Planning, *Plan Melbourne 2017–2050*, Victorian Government, Melbourne, 2017, p. 56.

<sup>140</sup> Coalition of Community Legal Centres, *Submission*, no. 124, p. 3.

<sup>141</sup> North Brighton Residents Action Group, *Submission*, no. 169., Attachment 1.

<sup>142</sup> Jack Mahoney, *Submission*, no. 55., Attachment 1.

<sup>143</sup> Flemington Association, *Submission*, no. 99, p. 2.

<sup>144</sup> A Practice Note is DELWP policy that provides general guidance on the use of DPOs.

built form at the interfaces is likely to significantly affect third parties if it is not carefully managed, and the Estate is not self-contained. According to Practice Note 23, the [Incorporated Plan Overlay] would seem to be a better fit.<sup>145</sup>

Practice Note 23 states:

Because the DPO has no public approval process for the plan, it should normally be applied to development proposals that are not likely to significantly affect third-party interests, self-contained sites where ownership is limited to one or two parties and sites that contain no existing residential population and do not adjoin established residential areas.<sup>146</sup>

The Standing Advisory Committee addressed the Planning Practice Note during its public consultation process. It stated in its Common Issues Report:

The application of the DPO presents somewhat of a dilemma for the Committee ... the Committee asked DHHS to provide its rationale for the use of the DPO in comparison with other planning tools, and particularly with the Design and Development Overlay (DDO). This was addressed briefly in its Part A submission, where it was argued that while the DDO could set built form requirements, it does not provide the interim step necessary to set the framework for the development of a large and complex site.

The PPN [Planning Practice Note] makes it clear that the Incorporated Plan Overlay (IPO) should be used for the development of large sites that have a high component of residential development, and residential interface. The PPN notes that “Most redevelopment of existing urban land will fall into this category, particularly where the surrounding land is residential”. While some sites have a more extensive residential interface (Gronn Place, Bellbardia and Tarakan), others have only one such interface (eg Flemington, Walker Street).<sup>147</sup>

During its hearings, the Standing Advisory Committee asked DHHS and a planning consultant whether a Design and Development Overlay would be more suitable for the sites. According to the Common Issues Report, the consultant considered the DPO to be the most appropriate planning mechanism. It stated:

... given the scale and complexity of the projects, some form of further master planning needs to be undertaken before permit applications are made. Her evidence was that the DDO [Design and Development Overlay] does not provide for further master planning. She argued that the DPO is the preferable tool, because alternative overlays that allow for master planning, such as the Incorporated Plan Overlay, are restrictive in that modifications to the plan over the life of the project would require further planning scheme amendments.<sup>148</sup>

As such, the Standing Advisory Committee considered the DPO as the most appropriate planning mechanism for the Public Housing Renewal Program. The Committee wrote:

<sup>145</sup> Darebin City Council, *Submission*, no. 61, p. 25.

<sup>146</sup> Department of Environment, Land, Water and Planning, *Planning practice note 23: Applying the Incorporated Plan and Development Plan Overlays*, 2015, p. 3.

<sup>147</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, pp. 16-17.

<sup>148</sup> *Ibid.*, p. 16.



While not perfect, the Committee is satisfied that the DPO is the appropriate tool to guide the future development of the sites. The Committee is aware that several other redevelopment sites in metropolitan Melbourne have used the DPO to provide the overall framework for future development or redevelopment opportunities. The Committee agrees that a more detailed master planning process is required before permits are granted, and that the DPO allows the master planning process to evolve through the procurement process. The Committee agrees that it is not suitable to ‘lock in’ a design at this stage, which could potentially occur if other tools such as a DDO or an IPO were selected.<sup>149</sup>

However, the Standing Advisory Committee also recommended a series of changes to each site’s DPO to reflect concerns that were raised during its consultation process. This included redrafted Overlays to replace the Overlays exhibited by DHHS during the process.<sup>150</sup>

Each Schedule to the DPO has been amended to include similar language to the Standing Advisory Committee recommendations, except for three omissions. The proposed provisions not included are:

- Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO
- A Strategy for Community Engagement to facilitate feedback on the proposed DPO, instead a Community Engagement Report must form part of the DPO
- A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority’s consideration.

### 3.5.2 Consultation and right of appeal

Under a DPO, there is no process for exhibiting the Development Plan or for the public to make submissions.<sup>151</sup> In addition, a DPO allows planning permits to be granted if they are ‘generally in accordance’ with the Development Plan. Conforming permits are exempt from most public notice requirements and third party review rights,<sup>152</sup> although the Minister for Planning may also choose to refer Development Plans to the Social Housing Renewal Standing Advisory Committee for review before a final decision is made.<sup>153</sup>

This lack of consultation and appeal rights concerned some stakeholders. However, the Committee notes that the Government has committed to a fourth phase of community consultation on draft Development Plans (as discussed in Chapter 4).

<sup>149</sup> Ibid., p. 17.

<sup>150</sup> Ibid., p. 25.

<sup>151</sup> Department of Environment, Land, Water and Planning, *Planning practice note 23: Applying the Incorporated Plan and Development Plan Overlays*, 2015.

<sup>152</sup> Ibid.

<sup>153</sup> Minister for Planning, *Terms of reference — Social Housing Renewal Standing Advisory Committee*, Victorian Government, Melbourne, 2017, p. 5.

The Standing Advisory Committee acknowledged these concerns in its Common Issues Report, stating:

The DPO [Development Plan Overlay] allows any development generally in accordance with the approved Development Plan to be exempt from further (statutory) notification. This caused significant concern at all hearings. Councils and community submitters felt that the lack of further involvement would be detrimental. While DHHS noted that the schedules provided for further consultation with the Councils, submitters did not think this to be sufficient. They submitted that the DPOs should include a specific requirement for community consultation on the Development Plans.<sup>154</sup>

The report stated that DHHS and the planning consultant resisted including a community consultation requirements on Development Plans in the DPOs. The consultant cautioned that including these requirements could create a ‘misleading impressions that the community has formal statutory rights.’<sup>155</sup> However, DHHS indicated ‘other measures’ would be established to consult stakeholders under Phase 4 of its consultation process.

To address these concerns, the Standing Advisory Committee recommended changes to each DPO:

- Removing the provision to allow permits to be granted that are not in general accordance with the Development Plan
- Including a ‘resident and community engagement strategy’ that would provide 15 business days for feedback on draft Development Plans before their approval.<sup>156</sup>

Some Inquiry stakeholders were also concerned that the draft DPOs were not prescriptive enough to ensure the best possible outcome for Public Housing Renewal Program sites.

**FINDING 6:** Governments can make use of a variety of planning mechanisms when engaging in programs such as the Public Housing Renewal Program. The Development Plan Overlay was chosen over other mechanisms to allow for greater flexibility in the Development Plan.

**RECOMMENDATION 7:** That in future responses to reports of the Social Housing Renewal Standing Advisory Committee, the Minister for Planning provide the rationale for recommendations that are supported in part or not supported.

**RECOMMENDATION 8:** That the Department of Health and Human Services be precise in explaining what is involved in future consultation sessions for the Public Housing Renewal Program. The Department should manage expectations by paying particular attention to any power that tenants may or may not have to influence the Development Plan Overlay at their site.

<sup>154</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 21.

<sup>155</sup> *Ibid.*, p. 24.

<sup>156</sup> *Ibid.*, p. 25.

## 3.6 Responsible Authority

The Responsible Authority is the person or organisation in charge of administration and enforcement of a planning scheme. This includes considering and approving applications for planning permits.

Local councils are generally the Responsible Authority for a planning scheme, unless otherwise specified.<sup>157</sup> However, when the Public Housing Renewal Program was announced the Victorian Government proposed that the Minister for Planning assume Responsible Authority status for all sites apart from Prahran (Stonnington Planning Scheme Amendment C160, made 21 July 2011, amended the DPO for the whole Prahran site and made the Minister Responsible Authority). The Standing Advisory Committee also recommended this be the case in its Common Issues Report. The Minister accepted this recommendation, which was gazetted on 29 March 2018.

This means that local councils will no longer have formal authority for the planning process at each site. In its submission, the Victorian Government stated that for sites where the Minister of Planning becomes the Responsible Authority, both DHHS and DELWP would consult with the relevant council throughout the planning process.<sup>158</sup>

Stakeholders in this Inquiry responded to the Government's initial proposal for the Minister to become the Responsible Authority (that is, before the Standing Advisory Committee had made its recommendation). For example, Bayside City Council argued against a change to the Responsible Authority because of the loss of appeal rights and, it suggested, lack of transparency in the Program for councils and local residents.<sup>159</sup> Similarly, Stonnington City Council believed it 'improper and a conflict of interest'.<sup>160</sup>

Councillors Coral Ross and Steve Stefanopoulous, speaking at a public hearing on behalf of Boroondara and Stonnington councils respectively, also opposed any change. Cr Ross believed this would cause the Program to fail the 'usual transparent planning processes'.<sup>161</sup> She further stated:

We are entirely qualified, capable and experienced in assessing and determining planning applications of equal or greater complexity than is currently being proposed and within the time frames allowed for by the act. The removal of notice and review rights for the local community is a denial of natural justice.<sup>162</sup>

Cr Stefanopoulous stated that Stonnington would not support the Public Housing Renewal Program unless it remained the Responsible Authority.<sup>163</sup>

<sup>157</sup> *Planning and Environment Act 1987* (Vic), No. 45 of 1987, s. 13(2).

<sup>158</sup> Victorian Government, *Submission*, no. 172, p. 28.

<sup>159</sup> Bayside City Council, *Submission*, no. 95, p. 7.

<sup>160</sup> Stonnington City Council, *Submission*, no. 16, p. 3.

<sup>161</sup> Cr Coral Ross, Boroondara City Council, *Transcript of evidence*, 5 December 2017, p. 14.

<sup>162</sup> *Ibid.*, p. 15.

<sup>163</sup> Cr Steve Stefanopoulous, Mayor, Stonnington City Council, *Transcript of evidence*, 5 December 2017, p. 21.

Similarly, Hawthorn Residents Action Group recommended that Boroondara City Council remain the Responsible Authority, to ‘protect the democratic rights of citizens and to take advantage of local government expertise.’<sup>164</sup>

Dr Bruce Quig, a Brighton resident who made a submission, was highly critical of the proposal. He believed there was no ‘compelling reason’ why the Minister for Planning should become the Responsible Authority for the New Street site, explaining:

The proposal does not provide any reason consistent with the applicable planning note for Ministerial intervention. This has also been applied at other estates. In the case of the New Street site, DHHS are claiming that the site redevelopment is a project of state significance. This appears to be a very low threshold for “state significance” and possibly an abuse of the term.

The other argument given is the urgency required to tackle the public housing shortage and that further delays cannot be tolerated. The salient facts here are that this shortage is real but not a new or sudden thing, any so-called sudden emergency is a result of a foreseeable result of previous inaction. This argument also does not factor in that the proposed development does little to help housing shortage and in fact may actually cause a reduction in the number of public housing tenants onsite in New Street.

...

It should also be noted that the Minister already has the powers to intervene if required in any planning process, and could do so in the public housing renewal projects if appropriate circumstances arose. Additionally it should be noted that in attempting to become the relevant authority directly, the Minister is not making use of the very initiatives funded out of the *Homes for Victorians* strategy document where over \$10 million was allocated for streamlining planning processes with relevant council bodies.<sup>165</sup>

However, Tenants Victoria presented the view that making the Minister for Planning the Responsible Authority would speed up the process. Its submission stated:

In that regard, we are somewhat ambivalent about the role of local Councils. We think it is important that Councils are engaged in the redevelopment process as neighbourhood experts and important service delivery bodies but are concerned that the statutory planning role that Councils play may be overly influenced by “nimby” considerations.<sup>166</sup>

The Standing Advisory Committee’s justification for its recommendation was as follows:

Most submitters, and all Councils except Banyule, were opposed to the Minister for Planning being the Responsible Authority for the sites. Reasons included perceptions that Councils had more local knowledge and keeping decision-making at a local

<sup>164</sup> Hawthorn Residents Action Group, *Submission*, no. 81, p. 9.

<sup>165</sup> Dr Bruce Quig, *Submission*, no. 126, pp. 1–2.

<sup>166</sup> Tenants Victoria, *Submission*, no. 113, p. 3.

rather than State level. Some submitters thought that the transfer of Responsible Authority status, rather than the application of the [Development Plan Overlay], resulted in the loss of third party notice and appeal rights.

The [Standing Advisory Committee] concludes that these sites and the social housing redevelopment programs for the sites are matters of State significance. The proposals are joint initiatives of both the Minister for Planning and the Minister for Housing and there will be significant cross portfolio discussion and review, both at the political and departmental levels to successfully deliver on the outcomes in a timely and ordered manner.<sup>167</sup>

The Legal and Social Issues Committee examined other instances where the Minister for Planning has assumed Responsible Authority in a planning scheme. Many of these are significant projects or sites, such as:

- Rail projects, such as the Melbourne Metro Rail Project, Regional Rail Link and the Ballarat Line upgrade
- Infrastructure projects, such as the West Gate tunnel and the desalination plant
- Urban renewal projects, such as Fisherman's Bend, East Werribee Employment Precinct
- Significant sport and entertainment sites, such as the Melbourne Sports and Entertainment Precinct, Crown Casino, Flemington Racecourse, Royal Melbourne Showgrounds.

In addition, the Committee also notes that the Minister for Planning is the Responsible Authority at the Carlton and Markham Avenue, Ashburton estates.

The Committee heard evidence that the Government's justification for proposing the Minister for Planning as the Responsible Authority was to allow a coordinated approach over a 'state significant' renewal program. It also recognises concerns that renewal projects that address the welfare of vulnerable citizens should not be delayed through inappropriate use of appeals rights. The outcomes for public housing tenants should be paramount. However, this also requires a fair process for residents and neighbours with genuine concerns to have these addressed in a timely and transparent manner.

**FINDING 7:** The Social Housing Renewal Standing Advisory Committee recommended the Minister for Planning become the Responsible Authority for the Public Housing Renewal Program because it considers the Program to be of state significance. It believes the Minister to be best placed to coordinate work across the departments involved in the program.

<sup>167</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 47.

**FINDING 8:** The majority of Councils that submitted to this Inquiry are concerned that through the Minister for Planning becoming the Responsible Authority for Public Housing Renewal Program sites, local councils and residents will lose existing rights under the planning and design decision-making process. This also created concern for some tenants who did not understand the reason why the Minister had been proposed to become the Responsible Authority.

**RECOMMENDATION 9:** That the Minister for Planning take into consideration the views of relevant local councils when making planning decisions regarding the Public Housing Renewal Program.

## 3.7 Design concerns

The designs for the Public Housing Renewal Program sites have not been finalised, as they primarily will be the responsibility of the development partner selected for each site. In the Committee's view, this provides an opportunity for the Victorian Government to consider the preliminary concerns of Inquiry stakeholders. This is particularly important given the lack of appeal rights.

Key concerns from stakeholders included:

- Increased density at the sites, often discussed in terms of height limits
- Loss of open space and impact on trees
- Parking issues
- Opportunities for tenant involvement.

### 3.7.1 Increased density

Each site redeveloped under the Public Housing Renewal Program will see an increase in its housing density. As well, the Victorian Government is increasing density across the whole State to respond to Victoria's rapidly growing population.

The sites chosen for the Public Housing Renewal Program had been identified as having 'latent development capacity'.<sup>168</sup> M21, which carried out the initial review of potential sites in 2009, defined latent development capacity as property that is 'located in an inner area with established planning approvals and market acceptance of high-density accommodation'.<sup>169</sup>

Inquiry stakeholders had mixed opinions on the increased density of the sites. For example, the Flemington Association included increased density on the Flemington public housing estate site as a priority in its 2017 Community Plan.<sup>170</sup>

<sup>168</sup> Property Services and Asset Management Director, Department of Health and Human Services, *M21 Study on potential commercial redevelopment viability of aged walk-up estates*, Department of Health and Human Services, Melbourne, 2010, p. 2.

<sup>169</sup> M21, *Commercial review of the potential redevelopment of walk up estate properties*, M21, Melbourne, 2009, p. 8.

<sup>170</sup> Flemington Association, *Submission*, no. 99, p. 2.

VCOSS supported increased density to allow for growth in social housing supply, particularly due to the location of the sites. It wrote:

The nine estates in the Public Housing Redevelopment program are well-located in inner Melbourne, with good access to jobs, transport, educational opportunities and health and community services close by. We believe they are suitable sites for more intensive development, allowing for growth in the number of social housing dwellings. Given the estates are in ‘gentrified’ or ‘gentrifying’ suburbs with the best access and already undergoing substantial change, this can sometimes cause concerns for local community members.<sup>171</sup>

In contrast, Ms Janet Graham, a resident in West Melbourne, believed the proposed density for the site did not fit the neighbourhood character. She said:

The massive increase in density and height of most proposed towers on the estate, with concomitant loss of public open space, trees, lawn areas, established vegetation and children’s play space, is untenable. Such a development would be completely out of character with the neighbourhood. Tall towers do not encourage community interaction.<sup>172</sup>

Similar arguments were made by Mr Hahn To from West Melbourne<sup>173</sup> and Mr Philip Salom, a resident of North Melbourne.<sup>174</sup> In addition, the Hawthorn Residents Action Group noted that the neighbourhood around the Bills Street, Hawthorn estate was predominantly one- and two-storey homes. It argued that proposals for 12-storey buildings were ‘out of character’ likely to cause overshadows and intrude on privacy.<sup>175</sup>

Concerns relating to height limits are not restricted to the Public Housing Renewal Program sites. At a public hearing, the Ashburton Residents Action Group provided evidence relating to the renewal of the Markham estate, Ashburton. In particular, the group told the Committee it has been arguing against the proposed height and density increases at that estate for two years.<sup>176</sup>

The Standing Advisory Committee found in its Common Issues report that the absence of mandatory height controls may lead to a greater risk of the heights specified in the DPO being exceeded.<sup>177</sup> Further, in its report on the New Street, Brighton estate the Standing Advisory Committee noted that submitters and Bayside City Council considered the proposed heights to be ‘out of character’ for the area and not backed by good evidence:

Submitters, including Council ... drew the Committee’s attention to the fact that heights in surrounding activity centres are generally significantly lower than what is proposed on the site. Several submitters felt that the proposed heights were driven

<sup>171</sup> Victorian Council of Social Service, *Submission*, no. 139, p. 4.

<sup>172</sup> Janet Graham, *Submission*, no. 97, p. 1.

<sup>173</sup> Hahn To, *Submission*, no. 103, p. 1.

<sup>174</sup> Philip Salom, *Submission*, no. 98, p. 2.

<sup>175</sup> Hawthorn Residents Action Group, *Submission*, no. 81, p. 9.

<sup>176</sup> Ashburton Residents Action Group, *Submission*, no. 32, p. 56.

<sup>177</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 23.

by a business case, or yields, rather than being a design led process, responding to neighbourhood character and site constraints. Submitters also called for greater certainty through mandatory heights and setbacks.<sup>178</sup>

As such, the Standing Advisory Committee recommended that the height limits be significantly reduced and setbacks increased for the Brighton Estate.<sup>179</sup> Further, the height limits and setbacks should be mandatory.<sup>180</sup>

In its submission to the Inquiry, the Government noted that alterations were made to the height limits on one building on the Brighton estate and an increase in the open space after feedback from the Standing Advisory Committee consultation:

For the Brighton site, the height on one building was reduced by three levels, addressing concerns regarding overshadowing and reducing the anticipated number of private dwellings. A central park area will be introduced on the site to provide additional open space and assist with flood mitigation.<sup>181</sup>

On 22 March 2018, the Minister for Planning accepted the recommendation made by the Standing Advisory Committee to provide a tailored schedule to the Residential Growth Zone that provides for a mandatory six-storey height limit.<sup>182</sup> The Committee believes that this is important because it heard that the New Street estate is well connected to the community because its relatively open design allows local residents to walk through it to access shops and schools. One of the arguments for redeveloping estates in Prahran was that ‘there are no thoroughfares or open an inviting public spaces where non-public housing residents can mix with public housing residents.’<sup>183</sup> Any changes to estates that reduce community connectivity would therefore be antithetical to one of the key aims of the Public Housing Renewal Program.

Indicative numbers for density changes were included in the Standing Advisory Committee’s Common Issues report, based on a ten per cent increase in public housing units. These are listed in Table 3.4.

<sup>178</sup> Social Housing Renewal Standing Advisory Committee, *Report No 7 - New Street, Brighton*, Victorian Government, Melbourne, 2017, p. 23.

<sup>179</sup> *Ibid.*, p. 1.

<sup>180</sup> *Ibid.*, p. 25.

<sup>181</sup> Victorian Government, *Submission*, no. 172, p. 31.

<sup>182</sup> Minister for Planning, *Response to Social Housing Renewal Standing Advisory Committee’s Report No. 7 – New Street, Brighton*, Melbourne, 2017, p. 1.

<sup>183</sup> Deloitte, *Department of Health and Human Services. Prahran Renewal Preliminary Business Case*, Deloitte., Melbourne, 2015, p. 18.



**Table 3.4** Existing and proposed developments for sites referred to the Social Housing Renewal Standing Advisory Committee

Public housing site	Existing public housing units	Proposed units and percentage increase
Abbotsford Street, North Melbourne	112 (walk-ups)	123 public – 10% 207 private – 84% 330 total – 194%
Bellbardia and Tarakan estates, Heidelberg West	Bellbardia: 94 (walk-ups)	104 public – 10% 500 private – 431% 604 total – 542%
	Tarakan: 60 (walk-ups)	66 public – 10% 35 private – 110% 101 total – 270%
New Street, Brighton	127 (walk-ups)	140 public – 10% 170 private – 33% 310 total – 144%
Walker Street, Northcote	87 (walk-ups)	96 public – 10% 126 private – 44% 222 total – 155%
Flemington Estate <sup>(a)</sup>	718 (high rise buildings)	No change
	198 (walk-ups)	218 public – 10% 825 private – 316% 1043 total – 426%

(a) Referred to the Standing Advisory Committee but not part of the Public Housing Renewal Program.

Source: Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 3.

### 3.7.2 Environmental concerns

The impact of the Public Housing Renewal Program on trees and open space and recreational areas is a concern shared by some Inquiry stakeholders, including neighbours and tenants. For example, Ms Lesley Skinner, in her submission, spoke to the environmental impacts the loss of green space has on estates:

The latest proposal that has been presented has no communal green space. This is a particularly bad step. Green space that can be shared by all the residents is vital to the estate. It enriches the environment. Plants by the action of photosynthesis take in carbon dioxide and give off oxygen to the atmosphere. It is a rare and valuable asset especially in big cities where there is a very high consumption of energy which contributes to the greenhouse effect.<sup>184</sup>

184 Lesely Skinner, *Submission*, no. 51, p. 51.

Similarly, Ms Jennifer Easson highlighted the impact the potential reduction to green space would have on wildlife, writing: ‘The impact on the local parkland and creek environment needs to be considered. The sheer bulk and size of the development will impact on the local wildlife, birds and vegetation in negative fashion.’<sup>185</sup>

Concerned with an ‘unacceptable’ loss of public space and greenery, the Flemington Association argued that open space is not necessarily an under-utilisation of land. It also discussed the benefits of trees: ‘Apart from their visual appeal, they improve air quality, absorb sound, reduce wind speed and have cooling effects – all benefits that are needed, especially for residents in the four towers. The whole neighbourhood benefits from the trees.’<sup>186</sup>

Professor Ian Potter and Ms Elizabeth Potter, members of the Ashburton Residents Action Group, argued for the cultural and heritage valued of local manna gums. In their submission they stated:

At Markham Avenue over 70% of the land is proposed to be sold, yet this land is all in an area of Aboriginal sensitivity, it contains manna gums (which are to be removed) which are symbolic for the Aboriginal people and show complete disrespect. These established trees which could easily be retained are only needing to be removed because of the massive overdevelopment of Markham in the back streets of Ashburton.<sup>187</sup>

Regarding the Gronn Place, Brunswick West site, Moreland City Council considered the importance of where new trees would be planted on the site. It wrote:

The current placement of trees as indicated in the Design Framework documents are uncertain. It is integral that the Landscape Plan for the redevelopment incorporates new suitable plantings to revegetate the site and that a maintenance plan is incorporated into this to ensure the new plantings survive.<sup>188</sup>

The Victorian Government informed the Committee that tree retention and improvements to open space are important components of urban design that contribute to safety and health for communities. Further, the Government indicated that many ‘high value’ trees will be retained during the Program.<sup>189</sup>

However, Moreland City Council believed that some smaller trees will not be retained despite their significance. It wrote:

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<sup>185</sup> Jennifer Easson, *Submission*, no. 72, p. 1.

<sup>186</sup> Flemington Association, *Submission*, no. 99, p. 11.

<sup>187</sup> Prof Ian and Elizabeth Porter, *Submission*, no. 108, p. 2.

<sup>188</sup> Moreland City Council, *Submission*, no. 133, p. 8.

<sup>189</sup> Victorian Government, *Submission*, no. 172, p. 27.

Council is concerned that large specimen trees on the Gronn Place estate should be retained in the redevelopment as they are of high significance. There are several trees of some significance rated as ‘medium retention value’. These should also be retained and incorporated as part of any proposed development as the retention of medium valued smaller trees is equally important.<sup>190</sup>

The Standing Advisory Committee concluded that both ‘high’ and ‘moderate value’ trees should be replaced at a ratio of 2:1.<sup>191</sup> The Minister accepted this and provisions have been included in the DPOs for the Bellbardia / Tarakan, Brighton, Northcote, North Melbourne, Brunswick West and Flemington estates.

**FINDING 9:** The Standing Advisory Committee found that the Development Plan Overlays for each site need to include more guidance on the amount and location of open space. The amended Development Plan Overlays included in the Planning Scheme Amendments approved by the Minister for Planning prescribe that certain areas of each estate are to become open spaces and provide specifications around tree retention, landscaping and replacements. The final design of tree retention and open space will not be known until developers are appointed and Development Plans finalised.

### 3.7.3 Parking

All DPOs require an ‘Integrated Transport and Traffic Management Plan’ for each estate. In accordance with clause 52.06 of the Victorian Planning Provisions, all dwellings, commercial properties and other establishments must have a specific allocation of parking. For dwellings, the Victorian Planning Provisions require:

- One car parking space to each one- or two-bedroom dwelling
- Two car parking spaces to each three-or-more-bedroom dwelling
- One car parking space to every five dwellings (for visitors).

Table 3.5 shows the proposed reductions to Parking Overlays.<sup>192</sup>

<sup>190</sup> Moreland City Council, *Submission*, no. 133.

<sup>191</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 39.

<sup>192</sup> [planning.vic.gov.au](https://www.planning.vic.gov.au), ‘Social housing renewal’, viewed 6 April 2018, <<https://www.planning.vic.gov.au>>.

**Table 3.5** Figures from new schedules to Parking Overlays

Estate	Rate	Measure	Type of housing
Abbotsford Street, North Melbourne	1 space	Each unit	All
Bellbardia and Tarakan estates, Heidelberg	0.4 spaces	Each one-bedroom unit	Social
	0.7 spaces	Each two-bedroom unit	Social
	1 space	Each three-bedroom unit	Social
	0.9 spaces	Each one-bedroom unit	Private
	1 space	Each two-bedroom unit	Private
	1.5 spaces	Each three-bedroom unit	Private
Gronn Place, Brunswick West	0.1 spaces	Each unit for visitors	All
	0.6 spaces	Each unit	Social
	0.8 spaces	Each one-bedroom unit	Private
	1 space	Each two-bedroom unit	Private
	1.3 spaces	Each three-bedroom unit	Private
New Street, Brighton	0.1 space	Each unit for visitors	All
	0.6 spaces	Each unit	Social
	1 space	Each one- and two-bedroom unit	Private
	1.6 spaces	Each three-bedroom unit	Private
Walker Street, Northcote	0.1 spaces	Each unit for visitors	All
	0.6 spaces	Each unit	Social
	0.7 spaces	Each one-bedroom unit	Private
	1 space	Each two-bedroom unit	Private
	1.6 spaces	Each three-bedroom unit	Private
Debneys Precinct: Flemington estate renewal <sup>(a)</sup>	0.1 spaces	Each unit for visitors	All
	0.6 spaces	Each unit	Social
	0.7 spaces	Each one-bedroom unit	Private
	0.9 spaces	Each two-bedroom unit	Private

(a) Referred to the Standing Advisory Committee but not part of the Public Housing Renewal Program.

Source: Compiled by the Legal and Social Issues Committee.

Some Inquiry stakeholders questioned the traffic reports presented at the Standing Advisory Committee hearings. In its submission, Bayside City Council stated: 'It is considered that the Traffic Engineer assessment was determined after car parking rates had been determined, retrospectively justifying parking rates. It is unclear how the original rates have been determined.'<sup>193</sup>

Other Brighton residents concerned about parking include Ms Nadia Ford, who believed the traffic assessment for the Program contained errors,<sup>194</sup> and Mr Justin Mottram, who also believed that parking had not been adequately assessed.<sup>195</sup>

<sup>193</sup> Bayside City Council, *Submission*, no. 95, p. 9.

<sup>194</sup> Nadia Ford, *Submission*, no. 102, Attachment 1.

<sup>195</sup> Justin Mottram, *Submission*, no. 75.

Mr Richard Agar stated that the number of car parks proposed for the Gronn Place, Brunswick site were 90 fewer than required under the Moreland Planning Scheme.<sup>196</sup>

By way of contrast, Melbourne City Council believed the parking requirements for the Abbotsford Street site could be reduced further due to its proximity to public transport and neighbourhood services.<sup>197</sup>

The Standing Advisory Committee's Common Issues report found that the proposed Parking Overlay rates are generally satisfactory.<sup>198</sup> Further, it found that the different parking rates applied to public and private housing were appropriate, with the exception of the Heidelberg West estates.<sup>199</sup>

### 3.7.4 Opportunities for tenant involvement

Some Inquiry stakeholders believed that the Public Housing Renewal Program should involve tenants in the design and development of the sites. In its submission, VCOSS stated that tenants should be involved in designing new homes, just as they would be if they owned a home and were planning a renovation. This could include extensive consultation opportunities with tenants and setting up design panels that contain tenant representatives. VCOSS recommended that tenders for the Program include criteria for developers to liaise with tenant advisory groups so as to fully understand tenants' needs.<sup>200</sup>

The Committee also heard that the Program could be used to create jobs for some tenants. The Brotherhood of St Lawrence stated in its submission that construction and landscaping work would be suitable for some tenants, with future job opportunities to be found in fields such as aged care, concierge duties, and cleaning and maintenance services. However, it cautioned that experience has proven the need to involve employment service providers in any programs. The Brotherhood wrote:

To support practical realisation of this approach, it is critical that successful tenderers be required to connect with experienced intermediaries that can assist in preparing disadvantaged jobseekers to successfully sustain work. Existing state-funded employment services – including the Jobs Victoria Employment Network providers and the Work and Learning Centres – could be leveraged. Previous attempts to achieve employment outcomes for disadvantaged jobseekers have revealed the challenges of contracting for outcomes without embedding the support of an intermediary. Contractors are unlikely to meet targets if left to reach out to disadvantaged jobseekers themselves and may have a negative experience if jobseekers are not adequately prepared and supported once in work.<sup>201</sup>

<sup>196</sup> Richard Agar, *Submission*, no. 21, p. 6.

<sup>197</sup> Melbourne City Council, *Submission*, no. 23, p. 1.

<sup>198</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 - Common Issues*, Victorian Government, Melbourne, 2017, p. 29.

<sup>199</sup> *Ibid.*, p. 30.

<sup>200</sup> Victorian Council of Social Service, *Submission*, no. 139, p. 12.

<sup>201</sup> Brotherhood of St Lawrence, *Submission*, no. 138, p. 2.

Mr Hamdi Ali, Secretary of the Carlton Housing Estates Residents Services, spoke with the Committee about job opportunities previous renewals had presented. Mr Ali said:

I think hardly anybody from the people who live in that area are getting job opportunities — and the job opportunities are not only long-term jobs but the skills. If someone gets a job, from that moment they get the connection. I remember when the City of Melbourne was doing the area next to the high-rise in Lygon Street. There was a company who was doing it, and a gentleman knew from someone through PTEP, which I think is the Public Tenant Employment Program. I do not know whether it still exists here. He kind of talked to them, and a young man from the estate was hired while they were doing that thing, I think for six months or something like that. That young man got the job in the construction industry, and he later was working in the renovation of the buildings, one in Carlton and, I heard, in North Melbourne. It fairly well introduces you when you get a job from that kind of environment, and then you can move on.<sup>202</sup>

The Committee is aware of the Victorian Government’s Public Tenant Employment Program, as well as the Major Projects Skills Guarantee and the Victoria Industry Participation Policy. However, it is not clear if these programs will ensure that tenants affected by the Public Housing Renewal Program will be offered employment opportunities on their own estates.

**FINDING 10:** Tenant expertise and lived experience is valuable knowledge in understanding how estates function and the features that tenants value.

**FINDING 11:** Providing tenants with an opportunity to gain job experience in the Public Housing Renewal Program encourages tenant input and creates skilled employment.

**RECOMMENDATION 10:** That the Victorian Government include the provision of employment opportunities for public housing tenants in the tender process for the Public Housing Renewal Program sites.

**RECOMMENDATION 11:** That where possible the Victorian Government involve public housing tenants in the design process for the Public Housing Renewal Program sites.

202 Hamdi Ali, Secretary, Carlton Housing Estates Residents Services, *Transcript of evidence*, 15 February 2018, p. 38.

# 4 Impact of the Public Housing Renewal Program on tenants

The Committee received evidence on three key areas of concern regarding the impact of the Public Housing Renewal Program on tenants:

1. The Department of Health and Human Services' consultation and engagement process
2. The relocation of tenants
3. Uncertainty regarding tenants' right to return following renewal.

## 4.1 Department of Health and Human Services' consultation process

The Department of Health and Human Services (DHHS) is the primary government agency assisting tenants throughout the Program. DHHS provides program updates and works directly with tenants to identify suitable opportunities for relocation to either interim or permanent accommodation during redevelopment.

The Department has a great deal of experience with programs and consultation of this nature. At a public hearing, Mr Nick Foa, the Director of Housing, noted that DHHS annually undertakes renewal programs that can lead to tenants being relocated.<sup>203</sup> Further, 7,080 tenants<sup>204</sup> currently have requests to be transferred to alternate housing. Approximately 20 per cent<sup>205</sup> of these tenants are from the nine Public Housing Renewal Program estates.

### 4.1.1 The Public Housing Renewal Program framework

Under DHHS's *Relocations for the Public Housing Renewal Program — Operational Guide*, the consultation process for each estate commences when the Director of Housing writes to a tenant to notify them that their estate is to be renewed under the Program. The Department's Property and Asset Services Branch then manages all ongoing communication.

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203 Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 16.

204 *Ibid.*, p. 15.

205 *Ibid.*, p. 16.

After tenants were notified of the renewal, a three-phased consultation process commenced engaging tenants, neighbours and community stakeholders. The Victorian Government recently announced a fourth stage. This is summarised in Figure 4.1.

**Figure 4.1** Phased information meetings

<b>Phase 1</b>	<ul style="list-style-type: none"> <li>• The information gathered at this meeting forms the initial design of the redeveloped site, attendees are asked:                             <ul style="list-style-type: none"> <li>- What do you love about the estate?</li> <li>- If you could improve one thing at the estate, what would it be?</li> <li>- If you could create the best place for you and your family to live, what would you include?</li> </ul> </li> <li>• Focussed towards the existing estate residents and local organisations</li> </ul>
<b>Phase 2</b>	<ul style="list-style-type: none"> <li>• Introduces initial sketches fomulated from Phase One to the tenants</li> <li>• Provides an update on program information</li> <li>• The attendees feedback on the sketches contribute to a Design Framework that forms part of the Planning Scheme Amendment application</li> </ul>
<b>Phase 3</b>	<ul style="list-style-type: none"> <li>• Provides details of the proposed Planning Scheme changes</li> <li>• Explains the role of the Standing Advisory Committee and the consideration process</li> </ul>
<b>Phase 4</b>	<ul style="list-style-type: none"> <li>• DHHS has committed to undertaking a fourth phase of consultation in collaboration with the developers of each site.</li> <li>• The timing and details of this phase are yet to be announced.</li> </ul>

Source: Compiled by the Legal and Social Issues Committee.

The objectives of this process were to:

- Formulate a vision for the redevelopment based on what was most important to the community
- Provide initial information to the residents and local stakeholders about the development and explore ways to engage with them in the future
- Develop and strengthen existing relationships with residents and stakeholders.

The DHHS information meetings were designed to involve tenants and the broader community in the indicative design process of the renewed estates. The primary purpose of the consultations were to ‘help develop the vision for the redevelopment of the estate and to provide initial information on the Renewal Program to residents and local stakeholders’.<sup>206</sup> Matters such as tenant relocation and a tenant’s right to return to an estate were not the central focus of this consultation process.

<sup>206</sup> Social Housing Renewal Standing Advisory Committee, *Report No. 5 – Walker Street, Northcote*, Victorian Government, Melbourne, 2017, p. 5.



The ideas captured from attendees at each workshop contributed to the sketch plans of an estate and the content of the planning scheme amendments that were proposed to the Social Housing Renewal Standing Advisory Committee for review.

The commencement of Phase 1 and Phase 2 consultations at each estate is published on the Victorian Health and Human Services Building Authority website and is outlined in Table 4.1.

**Table 4.1** Timing of Department of Health and Human Services consultation

Estate	Phase 1	Phase 2
Ascot Vale estate	March 2017	May 2017
New Street, Brighton	April 2017	June 2017
Gronn Place, Brunswick West	February 2017	May 2017
Noone Street, Clifton Hill	April 2017	June 2017
Bellbardia and Tarakan estates, Heidelberg West	March 2017	May 2017
Abbotsford Street, North Melbourne	March 2017	May 2017
Walker Street, Northcote	February 2017	May 2017
Bills Street, Hawthorn	April 2017	June 2017
Bangs Street, Prahran <sup>(a)</sup>	N/A	N/A

(a) Consultation for the Bangs Street, Prahran site occurred before the Public Housing Renewal Program was announced.  
Source: Compiled by the Legal and Social Issues Committee.

Table 4.1 identifies that consultation was not undertaken at the Bangs Street, Prahran site. At a public hearing, Mr Foa explained that consultation was not required as the necessary planning provisions were already in place due to the broader Prahran Estate redevelopment consultation undertaken in 2010:

Bangs Street, Prahran, a number of years ago went through a different planning pathway, and a development plan overlay had already been achieved for that site. That was the level of planning that the other sites were required to get to. Bangs Street is already there.<sup>207</sup>

Engagement reports for Phase 1 and Phase 2 workshops have been publicly released for five of the eight sites. Information in these reports detail:

- The methods used to invite tenants, neighbours and stakeholders
- The attendance figures for each workshop
- A breakdown of the feedback heard.

Table 4.2 shows the number of attendees at each phase for each estate as reported by DHHS.

<sup>207</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 21.

**Table 4.2** Attendance at Department of Health and Human Services consultation workshops

Estate	Phase	Residents and neighbours	Other stakeholders (e.g. local businesses)
Ascot Vale estate	1	Approximately 250	Not detailed
	2	Approximately 124	18
New Street, Brighton	1	60	11
	2	120	9
Gronn Place, Brunswick West	1	60	13
	2	62	12
Noone Street, Clifton Hill	1	Approximately 14	Not detailed
	2	Approximately 28	Not detailed
Bellbardia and Tarakan estates, Heidelberg West	1	60	30
	2	40	30
Abbotsford Street, North Melbourne	1	60	11
	2	77	17
Walker Street, Northcote	1	60	11
	2	34	17
Bills Street, Hawthorn	1	Approximately 25	Approximately 43
	2	To be held	To be held
Bangs Street, Prahran	1	No session held	No session held
	2	No session held	No session held

Source: Compiled by the Legal and Social Issues Committee.

Table 4.2 includes ‘approximate’ attendance figures as this is the term used by DHHS on the Public Housing Renewal Program website.

For Phase 1, DHHS used letterbox drops and posters to invite tenants and neighbours to participate in a ‘residents’ workshop’. Key community stakeholders for each site were invited in writing to attend a ‘stakeholders’ workshop’ held at a separate time.

Residents’ workshops often involved a free sausage sizzle and activities for families such as animal farms, face painting and balloon art. Attendees were asked to complete a survey in order provide feedback to three questions about the estate. The questions are outlined in Phase 1 of Figure 4.1 above. For those tenants who were unable to attend a workshop, more information was available by contacting DHHS or completing an online survey.

Ms Emily Frain, a neighbour of the North Melbourne estate, expressed in her submission concerns about the timing of the consultation sessions and the difficulty in accessing information when attendance was not possible. She said:

On the 19<sup>th</sup> of May I received a letter mentioning the housing renewal (HHSD/17/35748). I knew I could not attend the (only) two sessions so I followed the instruction in the letter and sent an email requesting more information. I did not

receive a reply. On the 3<sup>rd</sup> of June I sent a follow up email requesting a response and more information. By now I had potentially missed my opportunity to provide feedback.<sup>208</sup>

In undertaking Phase 2, DHHS contracted the external engagement agency KJA to assist in facilitating workshops at four estates. KJA is an organisation that specialises in communication and engagement consulting and has experience working with Victorian and interstate government departments to assist with engagement activities.

The workshops saw tenants, neighbours and stakeholders broken into smaller groups to discuss the sketch plans presented to them. Discussions were led by a project team member from DHHS or a KJA engagement team member. The dialogue was focused on the following four key areas:

- General feedback
- Safety and security facilities and services
- Connection with community and traffic and roads
- Dwellings.

Mr Jeremy Evans, a neighbour of the Walker Street, Northcote estate, described his experience with the Phase 2 workshop in his submission to this Inquiry. He said:

This meeting was announced in a letter delivered to our mailbox for the Walker St Community Room but relocated without further advertisement to the Library, some distance away. Four residents from the 'local area' and perhaps one from the Estate attended the meeting despite this hitch along with a daunting array of consultants, officials and 'experts'. A rep. of one of the departments introduced the session but this was otherwise conducted by a team of consultants who exhibited little or no knowledge of the issues under review.<sup>209</sup>

Darebin City Council also commented on workshops hosted by DHHS and KJA in its submission, arguing that the staff were unable to answer important tenant concerns. It added: 'At a community engagement process conducted by Council it became clear that Walker St residents and neighbours were still unaware of the proposal of a public / private mix, despite meeting three times with DHHS staff.'<sup>210</sup>

Mr Jack Mahoney, a neighbour of the Brighton estate, also argued that the DHHS engagement was insufficient. Mr Mahoney's submission states:

Engagement with the wider community and neighbouring residents by DHHS has been insufficient. Only one consultation session was held to solicit community views after a draft design had been completed. During this session, community views were often not recorded, and have not been responded to.<sup>211</sup>

<sup>208</sup> Emily Frain, *Submission*, no. 1, p. 1.

<sup>209</sup> Jeremy Evans, *Submission*, no. 134.

<sup>210</sup> Darebin City Council, *Submission*, no. 61, p. 8.

<sup>211</sup> Jack Mahoney, *Submission*, no. 55, p. 3.

The Social Housing Renewal Standing Advisory Committee consultation process was included as part of DHHS' Phase 3 consultation. However, as discussed in Chapter 3, the Committee learnt that some tenants did not understand the Standing Advisory Committee's purpose nor which Department was leading the consultation.

The Victorian Government indicated in its submission that DHHS will collaborate with developers to engage with tenants in a formal fourth phase of consultation and engagement. The key elements will include:

- Development of a detailed Community and Communications Plan and engaging with the local community and key stakeholders through various stages of development
- Engaging key stakeholder groups including:
  - Existing social housing residents
  - Local councils
  - Local representative bodies through the Consultative Committee, such as the Victorian Public Tenants Association, local support organisations including community not-for-profits and local resident groups
  - Government representatives.<sup>212</sup>

In addition, the Property and Asset Services Branch in DHHS has organised community days and relocation information forums for affected tenants to explain options and the process for each estate. Staff from the Department's Housing Relocation Team are working with tenants at one-on-one meetings to establish the tenants' specific needs and help find appropriate alternative housing (see Section 4.2.1 below).

#### 4.1.2 Engagement with tenants

As at 15 February 2018, 1,000 tenants<sup>213</sup> across the nine renewal sites had been contacted about the Program commencing at their estates, while 110 tenants<sup>214</sup> had been relocated. In addition, DHHS had commenced broader consultation and as at December 2017 had:

- Held 134 events
- Spoken to 440 key stakeholders
- Sent 6,884 letters to tenants
- Sent 16,850 letters to neighbours.<sup>215</sup>

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212 Victorian Government, *Submission*, no. 172, p. 33.

213 Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 18.

214 *Ibid.*, p. 16.

215 [housing.vic.gov.au](http://www.housing.vic.gov.au), 'Public Housing Renewal Program', viewed 26 March 2018, <<http://www.housing.vic.gov.au>>.

For some stakeholders, this was not their first experience with a renewal program or relocating. The Committee heard a mix of views on the consultation process. Based on the evidence received, it is apparent that in some instances:

- Inconsistent information was provided sporadically by the Department to tenants, neighbours and community groups<sup>216</sup>
- Consultation and information sessions were occasionally held at inappropriate times for working tenants and were held at locations away from the estate<sup>217</sup>
- A perceived lack of interpreter services affected tenants' ability to engage in the process<sup>218</sup>
- At times DHHS staff were unable to answer questions raised at sessions and sometimes did not follow up on requests.<sup>219</sup>

Combined, this contributed to some tenants feeling disengaged, confused and untrusting of the Program and of the Government more broadly. For example, the Committee received a submission from Mr Jerusalem Melees, a public housing tenant. He stated that the overlapping timeframes of consultation and relocation caused additional stress to tenants, particularly those with language barriers:

My mother has been told that her whole estate is going to be knocked down and she will be moved out by December [2017]. But she hasn't heard any more about it. She can't speak much English. At the consultation meeting there were no interpreters at all and she can only understand bits and pieces. That's not fair. There are so many tenants in Ascot Vale that can't speak English.<sup>220</sup>

The Committee was informed that interpreters for the predominant language groups at each estate attended each DHHS session.<sup>221</sup>

The Committee heard from Ms Jenni Smith, the Executive Officer of Northern Community Legal Centre, who provided an insight into the consultation process. She explained why in her view the DHHS process did not meet the needs of some public housing tenants. Ms Smith said:

In terms of the consultation process, while a standard consultation process proceeded, this did not really meet the needs of the public housing tenants, who are extremely vulnerable but they are not stupid. The consultation process included meet-and-greet activities, sausage sizzles and animal petting zoos. Some residents felt that this was avoiding the issue.

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<sup>216</sup> Ana-Maria Rivera, *Submission*, no. 105.

<sup>217</sup> Libby Stewart, *Submission*, no. 125.

<sup>218</sup> Neville Haining, *Submission*, no. 39.

<sup>219</sup> Libby Stewart, *Submission*, no. 125.

<sup>220</sup> Jerusalem Melees, *Submission*, no. 119.

<sup>221</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Response to questions on notice*, 23 May 2018.

I assume these were the processes that DHHS used to have the public housing tenants and communities warmed, if you like. At the actual consultation residents describe being divided into groups, which many expressed as daunting and divisive. The people who presented often did not give their names, although tenants were required to sign in. The blue-sky option some found patronising — ‘What would you like?’. The tenants would say, ‘A swimming pool’, et cetera. Most importantly, questions could not be answered about how their input would shape any of the designs or policies, and that question still has not been answered.<sup>222</sup>

The confusion felt by some tenants was exacerbated by correspondence sent by DHHS. The Housing eligibility letter (see Appendix 10) requested tenants confirm their ongoing need for public housing. According to Ms Smith, the complexity and timing of the letter left some tenants anxious they would be evicted without further consultation:

**Mr MORRIS** — ... I can only imagine that receiving a letter like this, if I were in their position, would be quite confusing as to why I would be receiving such a letter in effect asking me to justify whether or not I should be remaining in public housing. What was the reaction from people that received it?

...

**Ms SMITH** — It was: ‘What are they doing? They know that I’m here, that I want to remain in public housing. Why are they asking me this question at this point? Are they trying to get me out?’. So people continually are expressing this fear of eviction.<sup>223</sup>

Mr Foa acknowledged some weaknesses in how the Department communicated with tenants while it trained staff in operations and processes. He added that DHHS continues to work through issues and make improvements along the way as necessary, telling the Committee:

[We] have altered our practices and we have learned along the way. But I have to say that when the program was announced, the very, very first people that had to find out were our tenants. Councils found out second, community found out third, our tenants found out first — because it is their homes and many people have been in those homes for a long time. We make no apology for making sure that they heard first, but then there was a gap on information that then flowed while we geared up with our group of 20 really highly skilled housing officers to go around and do those conversations. We have amended our process to make sure that we have backfilled those conversations and they have occurred.<sup>224</sup>

The Committee also heard from community groups and community legal services with strong ties within the estates and who provide day-to-day assistance to tenants. Ms Hilary Smith, Wingate Avenue Community Centre Senior Project Officer, told the Committee that recent immigrants may not understand differences between, for example, politicians and bureaucrats. She added that tenants come directly to community centres with questions about information

<sup>222</sup> Jenni Smith, Executive Officer, Northern Community Legal Centre, *Transcript of evidence*, 5 December 2017, p. 9.

<sup>223</sup> *Ibid.*, pp. 8–9.

<sup>224</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 31.

they have been provided. However, Wingate has not always had the necessary information and supporting documentation to assist tenants and has contacted DHHS to request up-to-date information.<sup>225</sup> The Wingate Avenue Community Centre has a good working relationship with DHHS and Ms Smith told the Committee that DHHS has been responsive to their requests for additional information.

This concern is similar to the feedback expressed by community organisations and welfare groups in the Melbourne University evaluation of the Kensington redevelopment program. In particular, there is a view that organisations that provide day-to-day assistance to tenants should be provided advance notice of the Department's correspondence so they are able to assist tenants.<sup>226</sup>

The Committee heard evidence from DHHS that it had been working directly with tenants to ensure their individual needs are met where possible. However, in this instance the Department has not fully utilised the existing support that tenant groups and others provide to estates.

**FINDING 12:** There were inconsistencies between the evidence provided by the Department of Health and Human Services and that provided by some Inquiry stakeholders on the efficacy of the Department's consultation sessions.

**RECOMMENDATION 12:** That the Department of Health and Human Services immediately review and improve how it collaborates with tenants such that it better assists tenants throughout the Public Housing Renewal Program.

Neighbours and local residents also attended the DHHS-led consultation sessions in order to understand the community impacts of the Public Housing Renewal Program. Some neighbours reported that they did not receive any communication from DHHS.<sup>227</sup> Others felt as though the process did not genuinely seek the input of the community and the outcomes were largely pre-determined.<sup>228</sup>

Ms Taylor, a neighbour of the Clifton Hill estate, discussed the consultation held at a scout hall, writing: 'Not many people attended. The scout hall is almost two kilometres from the Clifton Hill estate, a 25-minute walk with no public transport alternative. This seems a lesson in how not to consult with public tenants.'<sup>229</sup>

The Department explained to the Committee that it had been unable to host consultation sessions at some sites due to a lack of suitable communal locations. This is why other locations were used.<sup>230</sup>

225 Hilary Smith, Senior Project Manager, Wingate Avenue Community Centre, *Transcript of evidence*, 10 November 2017, p. 30.

226 Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 113.

227 Michael Doyle, *Submission*, no. 44.

228 Dr Bruce Quig, *Submission*, no. 126.

229 Jane Taylor, *Submission*, no. 8, p. 1.

230 Director of Housing, *Briefing the Committee*.

In addition, the Committee heard that the volume and inconsistency of information published across multiple government agency websites caused confusion for tenants and local residents. Information about the Program is published on a range of websites, including:

- Department of Health and Human Services
- Department of Housing
- Department of Planning
- Engage Victoria
- Premier of Victoria
- Public Housing Renewal Program
- Social Housing Renewal Standing Advisory Committee
- Victorian Government
- Victorian Health and Human Services Building Authority.

While these websites direct traffic from one to another, the high volume of information spread across multiple agencies made it difficult to find important information. In addition, some information at times has not been up to date.

Ms Tahnee White, who lives near the North Melbourne estate, described the process as ‘incredibly confusing, frustrating and time consuming. There is documentation located across a number of government websites. There needs to be a single source of truth with everything contained in one place.’<sup>231</sup>

### 4.1.3 Tenant involvement in the planning process

As discussed in Chapter 3, the Standing Advisory Committee process focused the planning and design changes proposed for each estate. The Committee heard that this caused confusion for some tenants, neighbours and community groups as they found it challenging to distinguish the differences between the DHHS and the planning consultation processes. The Department held both sessions concurrently, as it believed tenants needed to be informed about the planning process and the impact that the Program would have on them.<sup>232</sup>

The Standing Advisory Committee’s Common Issues report (as discussed in Chapter 3) details concerns and problems that arose during its consultation process. The report noted the efforts undertaken by DHHS when engaging with tenants, commenting that the process appeared to be comprehensive:

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<sup>231</sup> Tahnee White, *Submission*, no. 115, p. 3.

<sup>232</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Response to questions on notice*, 23 May 2018.



DHHS's program for engaging Estate residents appears to have been comprehensive. DHHS produced several information sheets about the redevelopment and relocation processes, in multiple languages. It held several information sessions for tenants in relation to the redevelopment proposals, and engaged with residents on a one on one basis regarding relocation.<sup>233</sup>

However, the Common Issues report identified that the Standing Advisory Committee did not receive many submissions from tenants, nor did many tenants attend hearings. Further to this, the report also identified some weaknesses in the consultation process. It wrote:

[The] Committee acknowledges that, despite the efforts of both DHHS and the Committee, the engagement process has not been perfect. The Committee acknowledges that some residents have found the process, including the Committee hearings, confusing and at times intimidating.<sup>234</sup>

The Committee notes the efforts made by DHHS and the Standing Advisory Committee in consulting tenants the others affected by the Program. However, the Committee believes that more needs to be done in the future to ensure all tenants are able to distinguish between the different roles played by DHHS and the Standing Advisory Committee.

**FINDING 13:** Some tenants were confused about the differences between the functions of the Department of Health and Human Services and the Social Housing Renewal Standing Advisory Committee. This was compounded by the concurrent general consultation process administered by the Department of Health and Human Services.

**FINDING 14:** DHHS has used the Standing Advisory Committee consultation sessions as a source of information about tenants' concerns.

**RECOMMENDATION 13:** That the Department of Health and Human Services continue to monitor future Social Housing Renewal Standing Advisory Committee consultation sessions for information about tenants' concerns.

**RECOMMENDATION 14:** That the Department of Health and Human Services strengthen efforts to ensure that all tenants at future Public Housing Renewal Program sites understand the difference between the Department and advisory committees set up under section 151 of the *Planning and Environment Act 1987* and how they can contribute to both.

## 4.2 Relocating tenants

At the time the Public Housing Renewal Program was announced roughly 20 per cent of tenants living across the nine sites were already registered for transfers to alternate housing. The reasons for relocation include:

<sup>233</sup> Social Housing Renewal Standing Advisory Committee, *Report No 1 – Common Issues*, Victorian Government, Melbourne, 2017, p. 41

<sup>234</sup> *Ibid.* p. 42.

- Moving to housing with better suited facilities such as disabled access
- Downsizing
- Moving closer to family members
- Moving closer to services.

The Committee acknowledges that relocating tenants is a regular task undertaken by DHHS. However, in the context of the Public Housing Renewal Program the relocation of tenants is especially time sensitive.

Mr Foa told the Committee that DHHS has undertaken a case-management approach to relocating tenants and is working estate by estate.<sup>235</sup> In doing so, DHHS can reassess needs to ensure that tenants are moving to locations that are fit-for-purpose and that DHHS fully utilises new and existing stock. This is a complex task, as the successful relocation of tenants to interim or permanent housing depends on the availability of suitable homes.

DHHS describes the difference between interim and permanent housing in its relocation guidelines as follows:

- Interim housing refers to a home that is provided temporarily pending the tenant's move back to the redeveloped estate. Interim housing may include non-Director properties such as accommodation provided by family or friends, housing head leased from the private rental market or properties managed by Community Housing providers.
- Permanent housing refers to accommodation tenants move to on an ongoing basis. Tenants that prefer to move to what is considered permanent housing will not move back to the redeveloped site. Permanent housing may include other public housing properties, private rental accommodation (possibly gained with the assistance of the department's bond loan scheme and the rental brokerage program) or housing managed by Community Housing providers.<sup>236</sup>

Mr Foa told the Committee that in practice DHHS intends to temporarily relocate tenants by utilising existing public housing stock. Further, newly built public housing estates will help relocate tenants within high demand areas. Mr Foa said:

We have, as I say, a natural turnover of properties a year, about 3500, so we are using a percentage of those. Plus where we have got most of our early movers is where we have built new stock, so Perth Street, Altona Street are new apartment buildings that have just opened and people are moving to those and are incredibly happy with them ... In Stokes and Penola streets, we will be opening there hopefully in August-September this year with another two buildings there, so that will help in that Preston area.<sup>237</sup>

<sup>235</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 31.

<sup>236</sup> Department of Health and Human Services, *Relocations for the Public Housing Renewal Program: Operational Guidelines*, Victorian Government, Melbourne, 2017, pp. 10-11.

<sup>237</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 31.

This contradiction regarding the type of interim housing that will be provided to tenants is another example of why some tenants are confused about their future. The Committee accepts that the Department's relocation guidelines may not specify that public housing will be mainly used to temporarily house tenants. The Committee acknowledges that the Department has made several changes throughout the Program to improve outcomes for tenants. However, the Committee believes that the Department must work harder at clarifying important issues such as this for affected tenants.

### 4.2.1 Relocation process

According to the DHHS website, over 25 staff are assisting tenants relocate as part of the Program. DHHS's relocation teams are responsible for co-ordinating the relocation process. Eleven specially trained teams across the nine estates are led by project leaders with experience in relocating tenants, as is seen in Table 4.2.

**Table 4.3 Estate relocation teams**

Estate	Relocations team
Ascot Vale estate	Western Team 2
New Street, Brighton	Southern Team
Gronn Place, Brunswick West	Northern Team
Noone Street, Clifton Hill	Northern Team
Flemington estate <sup>(a)</sup>	Western Team 1
Bills Street, Hawthorn	Eastern Team
Bellbardia and Tarakan estates, Heidelberg West	Northern Team
Abbotsford Street, North Melbourne	Western Team 1
Walker Street, Northcote	Northern Team
Bangs Street, Prahran	Southern Team
Stokes/Penola and Oakover Road, Preston <sup>(a)</sup>	Northern Team

(a) Not being redeveloped as part of the Public Housing Renewal Program.

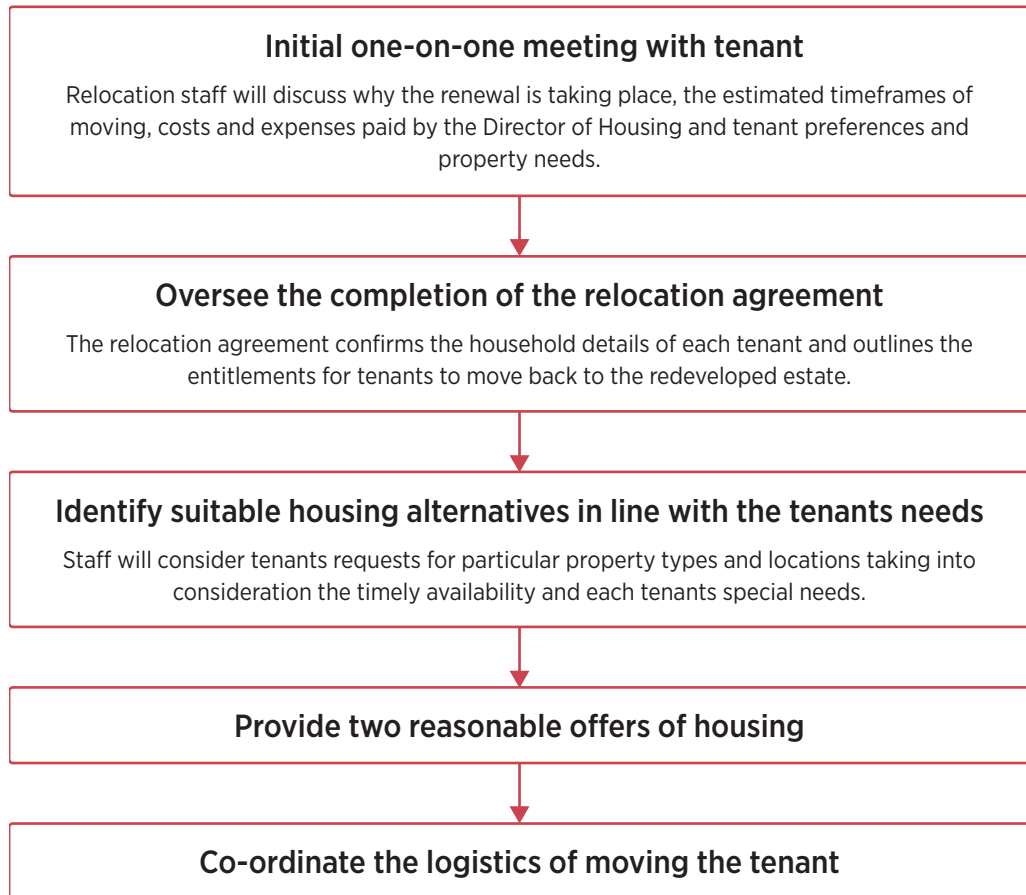
Source: Compiled by the Legal and Social Issues Committee.

Each team began meeting with tenants in November 2017. At the time of writing, the teams were working to assess each tenant in order to identify fit-for-purpose relocation housing.

The project leader of each team has the authority to approve the order in which relocations occur. When relocating tenants, staff are to prioritise requests to ensure that suitable housing is provided to those tenants most in need. Staff are also required to take into consideration the location and accessibility of dwellings and if a Special Accommodation Request has been completed.

Figure 4.2 details the process each relocation team undertakes for each tenant.

Figure 4.2 The relocation process



Source: Compiled by the Legal and Social Issues Committee

### 4.2.2 Locations and accessibility

The Committee has heard that some tenants are concerned the relocation process will have a negative impact on their lives and the lives of their families. The common fears expressed by tenants relate to:

- Uncertainty about where they will be relocated
- Stress of starting over in a new location
- Adverse impact on their children’s education
- Accessibility to services, particularly health care
- Displacement of communities and support networks.

Mr Robert Lam, a current tenant, reflected upon his previous experience relocating and the impact this renewal may have on others. His submission states:

I speak for me and my mother who have been living on the estate for over ten years and was present for the last renovations of the estate. Moving and being relocated in a new environment was a stressful process and impacted negatively on my studies at school, this may also apply to other children who live on the estate at the moment if we are subjected to move.<sup>238</sup>

Further, Ms Teresa Mankowska revealed in her submission that after spending her entire life living in one location the idea of starting over in an unknown location is deeply upsetting, particularly to the elderly.<sup>239</sup>

In response to these concerns being raised, DHHS indicated that every effort would be made in order to locate properties that are fit-for-purpose and meet tenants' requirements within the same suburb. The Committee heard evidence that DHHS had endeavoured to be transparent throughout the process with tenants, noting that this may not always be possible, particularly in instances where properties are in limited supply.

If relocating a tenant to existing public housing is not possible within a reasonable timeframe, the relocation team may find suitable accommodation within community housing or through a private residential rental property. For tenants who are relocated to accommodation that is not public housing, their status and rights as public housing tenants remain unchanged for the duration of the renewal.<sup>240</sup>

In the circumstances where a tenant wants to be relocated to a different area of Victoria, the relocation team can help find suitable accommodation. Similarly, during the assessment process tenants are asked to identify other areas they would be willing to move to should a local relocation not be possible.

The Victorian Public Tenants Association acknowledged the work of DHHS's relocation teams in its submission. It also noted the difficulties faced by some tenants who would prefer not to move at all. It wrote:

Clearly, some tenants do not want to move from the existing properties for a variety of reasons but overall the majority of tenants we have spoken to at meetings and over the phone want their properties to be upgraded. We understand tenants will not be forced to locate to an area they do not want to live in contrary to some of the very irresponsible and damaging assertions being peddled by some opposed to the redevelopments.<sup>241</sup>

While some tenants are stressed by the thought of being relocated, Mr Foa told the Committee that for others relocation may provide housing that is more appropriate for their needs. This may include houses with better disability access.

<sup>238</sup> Robert Lam, *Submission*, no. 26.

<sup>239</sup> Teresa Mankowska, *Submission*, no. 24.

<sup>240</sup> Department of Health and Human Services, *Relocations for the Public Housing Renewal Program: Operational Guidelines*, Victorian Government, Melbourne, 2017, pp. 13-14.

<sup>241</sup> Victorian Public Tenants Association, *Submission*, no. 70.

In addition, Mr Foa highlighted that there may be significant benefits for larger households, as relocations of this type would predominantly be to detached housing with private backyards. In some circumstances, extended families living together would also be relocated to two separate homes. Mr Foa said:

[We] can help families and larger families relocate in adjoining suburbs, they may only want to move once. They have got the right to return but they might only want to move once, if indeed it is in the same school catchment and they have re-established themselves. They will be predominately in detached housing with a backyard. So those will be additional bedrooms that are related to the program as we are creating new stock of smaller types to allow people who are in those larger homes to downsize.

...

Also our relocations team is finding that many of the large households are actually extended families, where in fact two houses are probably more appropriate for their needs than one, and we are helping families achieve that as well.<sup>242</sup>

The Committee notes that in some cultures extended families choose to live together. The Committee also recognises that relocation of tenants will have a temporary but significant impact on the local community. For example, the Wingate Community Centre is located in the centre of the Ascot Vale estate, as part of the redevelopment they will need to relocate to a new office. This may affect service continuity to the local community during a stressful time for some tenants.<sup>243</sup>

The Common Issues report prepared by the Social Housing Renewal Standing Advisory Committee acknowledged that these concerns existed across the consultation process. The apprehension and ‘sense of loss’ felt by tenants who appeared before the Standing Advisory Committee became apparent:

The Committee understands the disruption that the process of redevelopment will cause, and the sense of loss which many residents may feel. It is understood that some residents are apprehensive about the whole redevelopment project. For others, this apprehension and loss will become apparent as the time for relocation approaches.<sup>244</sup>

Similar concerns were raised about the initial impact of relocating tenants from the community during the Kensington redevelopment program. These included:

- The strain placed on support networks and friendships
- The negative impact on local schools from a reduction in students
- Disruption to students’ lives

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242 Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 18.

243 Hilary Smith, Senior Project Manager, Wingate Avenue Community Centre, *Transcript of evidence*, 10 November 2017, p. 30.

244 Social Housing Renewal Standing Advisory Committee, *Report No 1 – Common Issues*, Victorian Government, Melbourne, 2017, p. 43.

- The difficulties welfare agencies and community organisations face to stay connected with their regular clients.<sup>245</sup>

However, only 20 per cent of tenants returned to the Kensington estate. Although some tenants did not wish to be relocated a second time, this indicates that many were happy with their relocation.<sup>246</sup>

The Committee met with the Northern Team at Heidelberg West during a site visit at the end of February 2018, including two tenants who had recently been relocated. The Committee heard that those two tenants were satisfied with the relocation process and felt DHHS had worked well to meet their needs.

Relocating public housing tenants affects individuals and local communities. The effects may be positive or negative depending on specific circumstances, however uncertainty greatly increases stress for public housing tenants.

### 4.2.3 Timing of relocation

The Committee observed that the timeframe provided for the renewal of each site is ambiguous. The broad timeframes indicated for each estate do not clarify if they relate solely to the relocation to interim housing, the renewal construction or all aspects, including the return phase. The lack of clarity in the timing of the overall process has caused anxiety for some tenants.

DHHS contends that working directly with tenants enables staff to adequately address their needs more appropriately as opposed to using a one-size-fits-all solution to relocation. While tenants have been informed about the commencement of the Program, information relating to progress and completion is not provided as this information is not yet known by DHHS. For those tenants who have indicated a preference to return to a renewed estate, updates about the progress of the renewal can be accessed at their own initiative. Otherwise, tenants are only contacted upon the completion of the project by mail to confirm whether they still seek to return to the renewed estate. This adds to the level of uncertainty some tenants feel regarding the Program.

**FINDING 15:** Key causes of confusion for tenants involved in the Public Housing Renewal Program to date were a lack of clarity over timing, information not being available because it had yet to be developed and receiving multiple versions of documents.

**RECOMMENDATION 15:** That the Department of Health and Human Services continue to communicate with Public Housing Renewal Program tenants at all times up to their relocation and throughout the remainder of the whole Program. The Department should continue to answer questions asked by tenants regarding any issue to do with their relocation.

<sup>245</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, pp. 112-114.

<sup>246</sup> *Ibid.*, pp. 8-9.

## 4.3 Returning to a redeveloped estate

### 4.3.1 Tenants' right to return

The Committee heard from a range of stakeholders who spoke about the level of anxiety felt by some tenants regarding their right to return to an estate following renewal. Initially, tenants were asked to sign a relocation agreement (see Appendix 11) that acknowledged:

- Tenants would be given the option to return to the redeveloped estate if there is an available dwelling that meets their needs in accordance with the 'Matching Clients with Housing Size Guidelines'
- Tenants would be notified in writing three months in advance of the expected completion of the redevelopment
- Tenants would have 28 days from receiving the notice of expected completion to advise DHHS in writing whether they wish to move back to a redeveloped property
- If a tenant does not advise DHHS within 28 days, it will be deemed that they do not wish to move back
- If the redeveloped site is not public housing, DHHS will negotiate with community housing organisations to allow eligible tenants to move back.

The relocation agreement attempted to provide a safeguard for tenants in the instance there was a future policy change and the renewed estates became community housing. However, as outlined by the Victorian Public Tenants Association, tenants were still concerned about their rights and ability to return to an estate.

The Victorian Public Tenants Association campaigned for further safeguards to be provided by the Government. On 27 July 2017, the Minister for Housing, Disability and Ageing, signed a public pledge prepared by the Victorian Public Tenants Association<sup>247</sup> and issued a press release reinforcing the rights of tenants to return to renewed estates. The pledge addresses three key issues and reads:<sup>248</sup>

We Pledge That:

1. Public housing tenants who are relocated as part of the Public Housing Renewal Project will have the right to return to their estates after construction has finished.
2. Public housing tenants who return to the new estates will still have their rent calculation limited to 25% of their household income.
3. Public housing tenants who return to the new estates will experience no reduction in their security of tenure.

Mr Foa acknowledged concern that the pledge was not legally binding and did not go far enough to dispel the concerns of some tenants. Mr Foa told the Committee:

<sup>247</sup> Victorian Public Tenants Association, 'Taking the pledge', viewed 1 February 2018, <<https://vpta.org.au>>.

<sup>248</sup> Ellen Sandell MP, on behalf of the Victorian Greens, has also signed the VPTA pledge.



Mr FOA — I have said all along to staff that if there are things that we can learn throughout the renewal program along the way — and this was feedback that our relocations team were getting — then we will adjust the program to meet the needs of our tenants. The tenants are our primary concern.

The CHAIR — And what was the feedback that prompted this change?

Mr FOA — The feedback is that some voices in the community felt that the pledge did not go far enough and that we needed to provide additional support and assurance to our tenants, and we are very happy to do that.<sup>249</sup>

Mr Foa stated that the 110 tenants who had already been relocated had signed the previous tenancy agreement, which did not include legal protection of their rights. DHHS intends to approach those tenants and give them the opportunity to sign the new tenancy agreement. He said:

[Many] of the people who have moved to the Heidelberg West area already had transfer applications in and wanted to go from the estate that they were on. But we will go back to anybody who has moved at the moment and say, ‘We are very, very happy to update your tenancy agreement to allow you to return to the estate. We will put an additional clause in your agreement’.<sup>250</sup>

More recently, an article in *The Age* reported that the new agreement will be legally binding. The article stated:

Housing Minister Martin Foley has promised any tenant that wants to return to their estate once it is rebuilt will be given the right to do so, via tenancy agreements with the Director of Housing. “[These] are legally enforceable documents,” a spokesman for Mr Foley said.<sup>251</sup>

The Department acknowledged that the first tenancy agreement did not completely fulfil the pledge. It has recently drafted a Deed Poll which will legally bind the Director of Housing to the Minister’s commitment of right of return. Tenants who have already relocated will be advised by letter and provided with a copy of the Deed Poll that has been added to their tenancy agreement. The Committee received the Deed Poll and accompanying letter at the end of its deliberations. These are included in this report at Appendices 12 and 13.

### 4.3.2 Tenancy terms and conditions

The Committee heard that some tenants are worried about changes to their housing arrangements during the relocation process. In addition, some do not fully understand the implications of these changes. Mr Paul McCourt, a current tenant, spoke of these difficulties in his submission. He wrote:

<sup>249</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 25.

<sup>250</sup> *Ibid.*, p. 24.

<sup>251</sup> ‘Vulnerable public housing tenants in limbo as redevelops proceed’, *The Age*, 1 April 2018.

Myself and other tenants don't fully understand the terms and conditions of these future dwellings. Different landlords/different rules/regulations which aren't being explained clearly enough.<sup>252</sup>

Tenants were provided with an eligibility review form at the commencement of the project (see Appendix 14) that captured key details about:

- What type of social housing they would like to be offered
- The number of additional household members
- The current type of housing and dwelling type
- Preferred locations (up to five locations may be provided).

Tenants will undertake the same eligibility review upon the completion of the renewal project to determine the most suitable housing for their household needs.

Where a tenant is not eligible to return to a renewed property and is in a type of property they cannot remain in permanently, they will need to be relocated to another property in order to retain their public housing status.

For those tenants eligible to move back, however, DHHS has stated that there may not be enough redeveloped homes for their return. For example, the DHHS Relocation Manual states: Where there are not enough redeveloped homes available for tenants to return to, they are offered a property at a location in close proximity to the redeveloped site or in alternative locations if tenants agree.<sup>253</sup>

In this instance, the offer to move back will occur in the following order:

1. To tenants who are residing in a private rental property and the lease is ending
2. To tenants who must move back to the redeveloped housing because of an approved Special Accommodation Request
3. To tenants that still have significant connection to the area through children attending local schools, access to health services or child care services
4. To tenants with the longest length of tenancy in the original housing.

Tenants have been informed that if there is appropriate housing on the redeveloped site, and they meet the public housing eligibility criteria (as outlined in Chapter 2), they will be able to move back. Further, DHHS's Operational Guide outlines that larger families must be informed that the Public Housing Renewal Program may not provide suitable properties for them to move back to:

It may be difficult for tenants to make a decision about whether they want to return to the redeveloped estate. If a tenant is undecided, they are not required to make a final decision at this stage and the property they move to will be considered interim

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252 Paul McCourt, *Submission*, no. 43.

253 Department of Health and Human Services, *Relocations for the Public Housing Renewal Program: Operational Guidelines*, Victorian Government, Melbourne, 2017, p. 18.

housing. However, it's important for staff to make tenants with larger households aware, the Public Housing Renewal Program will generally not provide suitably sized properties for them to return to.<sup>254</sup>

Despite this, DHHS has committed to ensuring larger families are relocated to suitable housing. If appropriate public housing options are not available, DHHS will relocate tenants to Community Housing properties or interim private rental properties.

This has not eased the concerns for those tenants who live in 3-bedroom units. When addressing the matter of three-bedroom dwellings, Launch Housing indicated that:

[Social] housing occupancy levels are often subject to under-reporting as extended families may occupy homes together and not be recorded. In the case of the Public Housing Renewal Program, a lack of larger dwellings will restrict the ability for families and larger households to occupy these homes.

...

There should be a direct consideration of the current occupants of public housing estates when deciding on the composition of dwelling types and sizes. The 'right of return' for public housing tenants is meaningless if their 3 bedroom apartment is replaced with a 1 bedroom apartment that will not fit their household. In the Flemington Housing Estate, the walk-up flats due for demolition and renewal feature a high proportion of 3 bedroom apartments...Three-bedroom apartments are a rare housing typology in inner suburban Melbourne and therefore provide an important resource.<sup>255</sup>

As discussed in Chapter 2, the Committee acknowledges that both DHHS and VAGO report larger dwellings in Victoria are underutilised and are often occupied by one or two people. Further, at a public hearing Mr Foa revealed that occupancy data collected by DHHS twice per year indicates that the average occupancy of public housing is 1.7 persons per household.<sup>256</sup> Mr Foa reaffirmed DHHS's intention to fully utilise all public housing stock and ensure tenants are living in the most suitable accommodation for their needs. He told the Committee:

If there are large families that do wish to return to the estate — and they will have that option — we obviously have catered for that with flexibility in our design. The Office of the Victorian Government Architect has helped us work out adaptable housing mechanisms where we can do that.<sup>257</sup>

However, it is still uncertain what options will be made available to large families if their previous estates can no longer accommodate them.

<sup>254</sup> Department of Health and Human Services, *Relocations for the Public Housing Renewal Program: Operational Guidelines*, Victorian Government, Melbourne, 2017, p. 11.

<sup>255</sup> Launch Housing, *Submission*, no. 90.

<sup>256</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 18.

<sup>257</sup> *Ibid.*, p. 17.

**FINDING 16:** The Right of Return pledge signed by the Minister for Housing, Disability and Ageing was partially contradicted by Department of Health and Human Services documents. This led tenants to question their right to return to their estates and, along with the need for two tenancy agreements, was a weakness in the consultation program.

**RECOMMENDATION 16:** That the Victorian Government confirm with all tenants in the Public Housing Renewal Program that they will be able to return to their estates. All documentation and communication provided to tenants should reflect this.

**RECOMMENDATION 17:** That the Department of Health and Human Services publish the number of tenants who have returned to each estate at the conclusion of the Public Housing Renewal Program.

The Committee also observed some concern among tenants about the way in which the Victorian Government has used the term ‘public housing’ interchangeably with ‘social housing’. For example, planning for the Public Housing Renewal Program is guided by the Social Housing Renewal Standing Advisory Committee.

The Committee recognises that it is common for language to be altered as policy and programs evolve, however the use of the term ‘social housing’ has caused some unease. This is because of the difference between community housing tenants and public housing tenants. Community housing tenants pay 30 per cent of their income, instead of 25 per cent for public housing. Some tenants also believe that their tenure would be less secure in community housing.

**FINDING 17:** Some public housing tenants are unsure if they are to be considered public housing tenants or community housing tenants following the renewal of their estates.

### 4.3.3 Access to independent legal advice

At a public hearing, the Coalition of the Community Legal Centres told the Committee that tenants may not have been adequately informed about their ability to seek legal advice when it came to signing relocation agreements. Its submission states:

Public housing residents have told of DHHS relocation officers offering them contracts to sign, without directing them to seek independent legal advice. DHHS has referred existing tenants to the Victorian Public Tenants Association (VPTA) for additional advice in its November update. However, we note that the VPTA does not provide legal services, and refers its clients to the Federation of Community Legal Centres and the Victorian Tenants Union to access legal services. No community legal centre, and in particular the Tenants Union of Victoria, has been resourced by the Victorian Government to provide independent legal advice on this project to residents. Community legal centres were not consulted about the proposed changes and how we could prepare to assist residents.<sup>258</sup>

258 Coalition of Community Legal Centres, *Submission*, no. 124, p. 10.

Ms Anne Greenaway, a current tenant, echoes this point in her submission: ‘We, as public housing tenants, are not being advised of our rights, and it is very difficult to find out what our legal rights are.’<sup>259</sup>

Further to this, the Committee heard that some tenants were unable to keep the relocation agreement or take a copy to obtain independent advice on what they were being asked to sign. Ms Jenni Smith told the Committee: ‘They were told they could not keep the relocation agreement, the document, to get advice or information on. People did try to take photos of that.’<sup>260</sup>

**RECOMMENDATION 18:** That the Department of Health and Human Services provide tenants with the opportunity to review all documentation provided and access independent legal advice before being required to sign relocation agreements.

**RECOMMENDATION 19:** That the Victorian Government resource organisations that are well placed to provide independent legal advice to tenants.

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259 Anne Greenaway, *Submission*, no. 66.

260 Jenni Smith, Executive Officer, Northern Community Legal Centre, *Transcript of evidence*, 5 December 2017, p. 5.



# 5 The Public Housing Renewal Program financial and social model

The key issues concerning the financial model of the Public Housing Renewal Program noted by the Committee were:

- The sale of public land to fund renewal
- The appropriateness of complete redevelopment instead of refurbishing existing sites
- The rationale of mixed-tenure communities.

## 5.1 Overview of the financial model

The Victorian Government's financial model for the Public Housing Renewal Program involves selling the land to a developer who redevelops the site and receives profit from the sale of private units built as part of the redevelopment. A payment from each sale is made to the Victorian Government, representing the agreed land value. These payments are added to the \$185 million allocated to the Program to fund new social housing.

The Victorian Government outlined the model as follows:

The Government retains ownership of the land throughout the development process, during which time partners from the private or not for profit sectors are engaged to redevelop it on the government's behalf. Title is only transferred into private hands when the private homes are developed and sold to individual purchasers. The government receives a payment from the sale of each private dwelling (representing its land value) through the developer, which is used in combination with the government funding to pay for the construction of an increased number of new public homes.

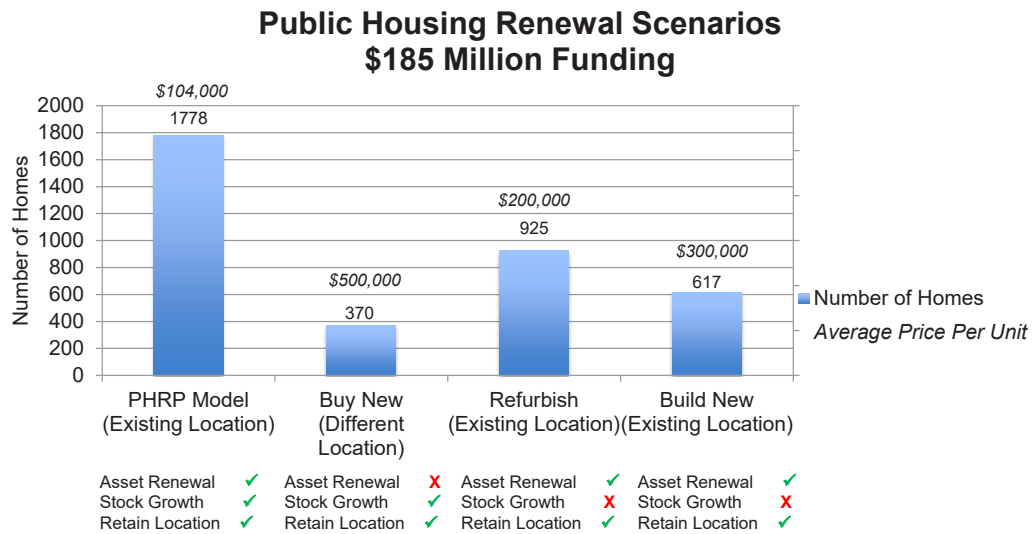
Land value is based on a Market Valuation as prepared by the Valuer General Victoria and the transaction is approved by the Victorian Government Land Monitor in accordance with the Department of Treasury and Finance Land Transaction policy. All revenue is received by the Director of Housing and is reinvested in the provision of social housing.<sup>261</sup>

The Director of Housing, Mr Nick Foa, provided the Committee with a summary of four possible renewal scenarios that the Victorian Government considered and the associated cost per public housing unit. These are illustrated in Figure 5.1.

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261 Victorian Government, *Submission*, no. 172, p. 15.

Figure 5.1 Cost per unit of public housing under alternative scenarios



Source: Nick Foa, Director of Housing, Department of Health and Human Services, *Presentation at public hearing*, 15 February 2018, p. 9.

According to DHHS, the total cost for delivering 1778 units under each option would be:

- Public Housing Renewal Program model: \$185 million
- Buy new: \$889 million
- Refurbish: \$355.6 million
- Build new: \$533.4 million.<sup>262</sup>

Similarly, the Victorian Government stated in its submission:

Alternatively, the cost of purchasing these new homes from the market could be as much as \$875 million. Another alternative would be to upgrade the existing 1,600 properties. The estimated cost of this would be around \$320 million, and would not deliver any increase in public housing, improvements to the estate design or integration with surrounding neighbourhoods, or mixed communities through additional private housing.<sup>263</sup>

However, the Government did not provide evidence on the cost of alternative scenarios and program models such as:

- A higher ratio of public housing to private on each site than the assumed ratio
- Other ways of retaining ownership of the land.
- These are discussed further below.

<sup>262</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Response to questions on notice*, 20 April 2018.

<sup>263</sup> Victorian Government, *Submission*, no. 172, p. 7. Currently, the Victorian Department of Treasury and Finance Investment Lifecycle and High Value High Risk guidelines are the main references used by Victorian Government agencies for preparing infrastructure investment proposals.



## 5.1.1 Tender process

The Victorian Government released a Registration of Capability for the Program in May 2017. This invited responses from developers on their capacity to deliver components of the Program and their interest in specific sites.<sup>264</sup> After the Registration of Capability is completed, the tender process consists of the following stages:

1. Confirmation of registrants' interest: DHHS will seek written confirmation from selected registrants of their interest. This produces a shortlist of registrants who have the financial capacity and capability to be aligned with program packages.
2. Request for proposal: Shortlisted registrants provide detailed and costed binding proposals.
3. Negotiation and completion: Negotiations with proponents and finalisation of proposals.

In its submission, the Government detailed the evaluation criteria for each application. These include:

- Recent experience in project partner delivery agreements that incorporate community development such as improved public realm, amenity, place-making
- Experience in partnerships with government agencies
- Innovation in design, partnership and delivery models
- Capacity to deliver within the required timeframe
- Experience and capability of key personnel.<sup>265</sup>

At the time of writing this Final Report, the Government was engaged in a procurement process to select developers for six of the Public Housing Renewal Program sites.<sup>266</sup> In addition, redevelopment of public housing estates at the Flemington estate and the Stokes–Penola, Miller and Oakover sites in Preston is planned.

## 5.2 Use of public land

The decision to sell public land to fund the Public Housing Renewal Program was met with one of two contrasting responses: either agreement or disagreement. Regardless, the Committee does not believe the Victorian Government has provided compelling evidence that the model as it stands provides the best

<sup>264</sup> Department of Health and Human Services, *Registration of Capability – Public Housing Renewal Program stage one*, Victorian Government, Melbourne, 2017.

<sup>265</sup> Victorian Government, *Submission*, no. 172, p. 15.

<sup>266</sup> Brunswick West, North Melbourne, Prahran, Heidelberg West, Northcote, Clifton Hill, Flemington, Preston. The estates at Ascot Vale; New Street, Brighton; and Bills Street, Hawthorn were not included.

outcome possible for public housing. Such a significant project should provide and be seen to provide the best outcome for tenants and public housing in Victoria as a whole.

The two key concerns heard by the Committee related to:

- Loss of a public asset through the sale of public land
- The potential for land to be sold at a discounted rate.

## 5.2.1 Previous ownership

The Public Housing Renewal Program sites have long been allocated solely for public housing. Some sites were originally acquired as part of the Government's 'slum reclamation' movement, which began in the late 1930s. In addition, the Committee understands that land at the Bills Street, Hawthorn site was gifted to Hawthorn City Council by George Bills to accommodate elderly disadvantaged women. The land was later transferred to the Victorian Government as public housing for the elderly.<sup>267</sup>

North Brighton Residents Action Group's submission discussed the original intent of the New Street, Brighton estate. The Group argued that selling the New Street land would be contrary to the terms of the land title and the intent of the original housing legislation. It wrote:

NBRAG has obtained a copy of the land title for the New Street estate. It provides that the land was granted by the Crown in fee simple to the Housing Commission "for the purpose set out in s.4 of the Housing Act 1943 and for no other purpose whatsoever". The grant of the land was conditional and the condition is an encumbrance on the title which will have to be removed if part of the land is to be sold for private development.<sup>268</sup>

The title reads:

To hold unto the grantee in fee simple for the purposes set out in section 4 of the Housing Act 1943 and for no other purposes whatsoever. Dated the fifth day of November One thousand nine hundred and fifty-eight being the date on which the grantee became entitled to this Grant.<sup>269</sup>

The Housing Act of 1943 has been superseded twice, in 1953 and 1983. Schedule 2 of the *Housing Act 1983* does empower municipalities to grant land to the Director and enter into an agreement with the Director for or with respect to the use, development, maintenance, management or control of any such land.<sup>270</sup>

<sup>267</sup> Ellie Bastow, *Submission*, no. 136, p. 1; Hawthorn Residents Action Group, *Submission*, no. 81, p. 6.

<sup>268</sup> North Brighton Residents Action Group, *Submission*, no. 169, p. 4.

<sup>269</sup> *Ibid.*

<sup>270</sup> *Housing Act 1983* (Vic), 10020 of 1983.

## 5.2.2 Sale of public land

Many of the stakeholders who opposed the sale of public land<sup>271</sup> considered that the Program's outcomes do not justify the State relinquishing a long-term public asset (as discussed in Chapter 2). Other concerns include that by selling public land allocated for public housing, the Government is reneging on its responsibility to provide housing.

The Hawthorn Residents Action Group opposed the sale of any public land, stating:

The sale of public land to private developers is a totally unsustainable solution to meeting the ever-increasing public housing waiting list. This represents a short-term solution to an enduring government obligation. Once the land is sold to private interests, it cannot easily be returned to public control. This will lead to a dwindling resource that will ultimately be completely lost to the public sector. It is on these grounds that we also oppose community housing, the handing over of responsibility and often ownership to non-government organisations.<sup>272</sup>

Similarly, Transforming Housing and Launch Housing stated:

Selling off public land is a short-sighted strategy. These sites are unique and valuable opportunities to generate affordable housing options in areas that offer good access to job opportunities and public transport to enable those on lower incomes to actively participate in Victoria's dynamic and changing labour market.<sup>273</sup>

The Building Designers Association Victoria believed the Government should retain the land due to historically high land values. It told the Committee:

The price of land in the regions of Melbourne we are discussing is at historical highs. This means it is counterproductive to hand over public land to private developers, since the land itself is the main consideration that determines the cost of a new development. Affordable housing is not the problem, affordable land is, and therefore Government should retain the land component of the development and invest in new housing itself.<sup>274</sup>

Some stakeholders suggested other models for funding renewal of the sites that do not involve selling the land. Mr Nick Legge, a Northcote resident, proposed funding the Public Housing Renewal Program through borrowing and keeping all new buildings for future use. At a public hearing, he told the Committee:

My view is that the Director of Housing has the authority over the Housing Act to develop land himself or herself. It is quite conceivable that the land could be developed by the Director using borrowed funds, and if it is determined that some return on the funds needs to be, then a proportion — certainly not half —

<sup>271</sup> Philip Salom, *Submission*, no. 98, p. 1; Hahn To, *Submission*, no. 103, p. 1; Ana-Maria Rivera, *Submission*, no. 105, p. 1; Margaret Jungwirth, *Submission*, no. 132; Kerstin Kilian, *Submission*, no. 118, p. 3; Committee of Management of the North Carlton Railway Neighbourhood House, *Submission*, no. 112; Community Change Alliance, *Submission*, no. 80, p. 3.

<sup>272</sup> Hawthorn Residents Action Group, *Submission*, no. 81, p. 6.

<sup>273</sup> Transforming Housing and Launch Housing, *Submission*, no. 87, p. 4.

<sup>274</sup> Building Designers Association Victoria, *Submission*, no. 168, p. 1.

could be leased on the private market, and they would then be able to return to public tenancies at some point in the future when the need became even more overwhelming and pressing than it is now.<sup>275</sup>

Similarly, Brighton resident Mr Jack Mahoney suggested implementing 25-year leases backed by the private housing estates in lieu of selling the land.<sup>276</sup>

In his submission, Mr Liam Davies provided a copy of his Honours thesis, which focused on financial outcomes of public housing estate renewal. His research concluded that the Victorian Government could provide more public housing units at a lower price than in a ‘public–private partnership’ in two scenarios:

- Only selling some units to the private market to cover development costs
- The Government retains ownership of all units and incurs all debt.<sup>277</sup>

Mr Foa addressed the criticisms at a public hearing, arguing that selling land to fund a building program is a simple transfer of assets:

**Ms SPRINGLE** — Can I just ask, would you accept that selling off public land, which is essentially what is happening, is reducing capacity in the long term?

**Mr FOA** — From a financial perspective, no. It is a land transaction, converts from a land asset, land under buildings, to a built form asset. So from a balance sheet perspective, no.<sup>278</sup>

Mr Foa acknowledged that public land is a valuable asset. However, he stated that there was a need to ‘strike a balance’ to provide the best outcome – that is, renewing housing plus a small increase in overall stock – with the available resources. He said:

We are replacing some of the worst stock in our portfolio; there is some other stuff that we need to replace as well. We are replacing 1,661 dwellings with \$185 million worth of cash. We are leveraging that \$185 million into ... about \$800 million to \$900 million worth of balance sheet value. The Director of Housing has 66,000 properties across Victoria. The land is the most precious commodity; I absolutely acknowledge that. We have to strike the balance, just as we have with the Norlane initiative and the Olympia initiative that have been going for ten years, where we have been buying and selling land in those areas to try and upgrade stock with the underlying land value over time.<sup>279</sup>

Mr Foa added that the amount of land being sold for the Public Housing Renewal Program comprises only 1.2 per cent of total housing stock in Victoria.<sup>280</sup>

He further informed the Committee that property sales have been less than 0.5 per cent of the total value of the asset portfolio each year since 2008–09.<sup>281</sup>

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<sup>275</sup> Nick Legge, *Transcript of evidence*, 5 December 2017, p. 47.

<sup>276</sup> Jack Mahoney, *Submission*, no. 55.

<sup>277</sup> Liam Davies, attachment to *Submission*, 109.

<sup>278</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 28.

<sup>279</sup> *Ibid.*, p. 25.

<sup>280</sup> *Ibid.*

<sup>281</sup> *Ibid.*, p. 17.

While such arguments ring true in the short term, they ignore the long-term impact of selling public assets, which is that they can only be sold once. Or to put it another way, a transfer of assets can only happen once. At the time of writing, Victoria's 10-year bond rate was just over 3 per cent. Some consider it prudent for governments to borrow in low interest rate environments, particularly for infrastructure projects that deliver long-term social benefits. Others suggest it is wrong to 'saddle' future generations with debt.

However, it can be argued that by selling land this funding model is saddling future generations with a worse problem, that being the need to renew and build the next tranche of social housing without having a way of paying for it.

**FINDING 18:** There are contrasting views on the Victorian Government's decision to fund the Public Housing Renewal Program by selling public land. Many tenants and neighbours who made a submission to this Inquiry opposed the sale of public land, while other stakeholders suggested alternative models of funding the Program.

### 5.2.3 Previous return on land sales

As noted earlier, the land value for each Public Housing Renewal Program site is based on a market valuation prepared by the Valuer-General Victoria. The sale is approved by the Victorian Government Land Monitor in accordance with the Department of Treasury and Finance's Land Transaction policy.<sup>282</sup>

In her submission, Dr Julie Lawson, Honorary Associate Professor at RMIT University's AHURI Research Centre, provided an evaluation of previous Australian public-private partnerships. She stated that the value to Government depended primarily on the discount rate offered to developers.<sup>283</sup> However, the Committee received evidence that the land will be sold at full market value as determined by the Valuer-General.<sup>284</sup>

Similarly, Mr Davies's research found that redeveloped sites must be high density for both the Government and developer to make a reasonable return on investment. For lower density proposals, land values must be heavily discounted for the developer to make a reasonable return.<sup>285</sup>

The 2013 review of the Kensington renewal concluded that the land in that program was sold for about one-twentieth of the price of comparable land in the area.<sup>286</sup> However, Shaw *et al* were also clear in stating that as this was the first time such a model had been used in Victoria there were bound to be lessons that could only be learnt in hindsight. One of these lessons, according to the

<sup>282</sup> Victorian Government, *Submission*, no. 172, p. 15.

<sup>283</sup> Dr Julie Lawson, *Submission*, no. 78, p. 8.

<sup>284</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Response to questions on notice*, 20 April 2018.

<sup>285</sup> Liam Davies, attachment to *Submission*, 109, p. 66.

<sup>286</sup> Dr Kate Shaw, *Submission*, no. 3, p. 4.

authors, was that there is very low risk for developers who buy inner-city land.<sup>287</sup> The Committee also understands that DHHS disputed some of the figures in the review and did not accept or publish the document.

Dr Raisbeck, who worked on the review, told the Committee that he had seen three different land valuations in files held by the Department. He said:

The research team had access to some of the sale of land contract files archived at DHS, and again these only provided partial information for the land sales settled from various times from 2002 to 2009. Early on in the files that I saw there seemed to be a couple of different valuations, one valuation by Arthur Andersen dated October 2000 valuing the land at \$9.25 million. This particular letter was only sighted by me once. Another valuation in the archive, by the valuers O'Briens, outlined two scenarios for the valuation of the land, one at \$10 million and another at \$5.5 million. I will talk a little bit more about the land valuation later.<sup>288</sup>

Dr Raisbeck's analysis concluded that the Department received \$3.76 million in June 2002 dollars, which he did not believe was value for money.<sup>289</sup> DHHS advised the Committee that the land at Kensington was valued by the Valuer-General prior to its sale at \$5.5 million. The final sale price for each stage was just under \$6 million.<sup>290</sup>

The Committee sought the view of developers regarding land prices. Mr McMillan told the Committee that developers base their decision on profit margins whatever the land price may be. He said:

The commercial logic of everything we do is that we want a 20 per cent margin approximately. The industry operates on a 20 per cent margin. As a return on capital, all of our competitors, the banks, the whole industry operate on certain metrics that have these sorts of things built into them, so it does not matter.<sup>291</sup>

As mentioned above, Mr Foa told the Committee that the public land will be sold at full market value with all money raised spent on social housing. Mr Foa said that:

... the proposed model includes the development and the sale of private homes. The income of these properties contributes to the renewal, replacement and growth of public housing on each site, but the Committee can be assured that all transactions with the private market have to be sold at market value. Land sales have to be approved by the Victorian Government Land Monitor and supported by an assessment of current market value by the Valuer-General. All revenue is reinvested back into the provision of social housing. Property developments of this nature are a long burn; they do take a long time, and people have said, 'It might cross a number of property cycles'. But I can assure you that we will be putting financial structures

<sup>287</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 32.

<sup>288</sup> Dr Peter Raisbeck, *Transcript of evidence*, 10 November 2017, p. 4.

<sup>289</sup> Dr Peter Raisbeck, *Documents tabled at public hearing*, 10 November 2017, p. 10.

<sup>290</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Response to questions on notice*, 20 April 2018.

<sup>291</sup> Stephen McMillan, Managing Director, Citta Property Group, *Transcript of evidence*, 5 December 2017, p. 30.

in place that capture any upside of any land increase over time. You can see by the objectives of the program that we are seeking innovation through our procurement process.<sup>292</sup>

The Committee acknowledges that the Director of Housing regularly buys and sells land as part of ongoing asset management and that land value will be determined by the Victorian Government Land Monitor. However, given the valuable inner-city locations of the initial nine sites it is important that the sale of this land optimises the return for public housing in Victoria. Additionally, considering the fact that the land is a public asset, the public has a right to know the price paid for the land.

**RECOMMENDATION 20:** That the Victorian Government publish the price paid for public land sold as part of the Public Housing Renewal Program.

**RECOMMENDATION 21:** That the Victorian Government publish the amount of money raised by the sale of land during the Public Housing Renewal Program that will be allocated to public housing throughout Victoria.

**RECOMMENDATION 22:** That at the completion of the Public Housing Renewal Program the Victorian Government provide evidence that all money raised by the sale of land during the Program has been allocated to public housing throughout Victoria.

### 5.3 Refurbishing existing stock

The Committee agrees that renewing public housing stock will vastly improve the lives of public housing tenants. In their review of the Kensington redevelopment program, Shaw *et al* found that the new buildings had increased the tenants' pride in where they lived, due to the improved quality of the new buildings. The authors reported 'many moving comments from public tenants who felt the reduction in stigma most keenly.'<sup>293</sup>

Some stakeholders believed that the existing stock included in the Public Housing Renewal Program could be refurbished. However, in its submission, the Government stated that while refurbishment would extend the life of existing ageing stock, this would be expensive and would not address the misalignment of bedroom configuration to household size or the broader accessibility requirements of tenants. It wrote:

Recent estimates suggest a cost of \$200,000 per unit, which includes the installation of lifts and improvements in thermal efficiency, as well as upgrades to bathrooms, kitchens and internal features. It would not address other challenges such as inappropriate floor plans or room configurations, nor estate design, layout or

<sup>292</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 17.

<sup>293</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 101.

safety. As a result, upgrades would perpetuate, rather than address, the challenge of modernising Victoria's public housing so that it can meet the needs of current and future tenants. It has therefore been ruled out as a feasible option.<sup>294</sup>

Mr Foa described building life of 30 years as a 'trigger point' where maintenance costs become significant.<sup>295</sup> This is also reflected in VAGO's 2017 audit into public housing. VAGO found that DHHS's total maintenance liability is highest for stock aged 31–40 years. This is due to not just the higher percentage of stock in that age group, but the liability per unit.

Several stakeholders agreed that refurbishment of the sites is not viable. For example, VCOSS argued that:

... poor access, deteriorating quality and energy performance is deeply embedded in their age and design. We reject the idea that public housing tenants should be content to live in dilapidated estates, and should not have the same access as other Victorians to contemporary homes with modern energy efficient and accessible design.<sup>296</sup>

Similarly, the Victorian Public Tenants Association believed the existing units were no longer fit for purpose. It told the Committee:

The walk-ups that are to be redeveloped do not make optimal use of the site and for the most part provide sub-standard accommodation. The properties lack adequate ventilation and many are prone to mould. They do not heat and cool effectively or efficiently and as a result, we see the poorest people in the state paying a premium for gas and electricity.

For elderly or disabled people walking up three to four flights of stairs is a real struggle and for some a very risky proposition. Carrying bags of shopping is problematic and for single parents or families with kids having to negotiate stairs safely with kids in tow is a serious battle. We simply have to do better than this – all politics aside.<sup>297</sup>

At a public hearing, Mr Mark Feenane, Executive Officer of the Victorian Public Tenants Association, expanded on this position. He told the Committee:

They are hellishly hot in summer, they are freezing cold in winter, and they do not heat and cool effectively. They are housing the poorest people in the state. By definition they have to be, otherwise those people do not get housed there. These people have to pay a premium for heating and cooling and everything else that goes with living in substandard accommodation.

You can imagine women with little kids, sole parents and people escaping family violence who have got to walk up four flights of stairs with their little kids and their shopping — I cannot do it — on a daily basis. There is the risk of those kids falling

294 Victorian Government, *Submission*, no. 172, p. 25.

295 Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 29.

296 Victorian Council of Social Service, *Submission*, no. 139, p. 4.

297 Victorian Public Tenants Association, *Submission*, no. 70, p. 6.



down, and it is just not on. Elderly people and people with disabilities face the same problem. Not everyone gets a ground floor with a little garden and somewhere to play in which is ideal.<sup>298</sup>

In its submission, the Flemington Association accepted that refurbishment of public housing units at the Flemington estate was not a viable option. However, it also criticised the lack of maintenance over the years that led to the state of disrepair, stating:

The Association has for many years unsuccessfully lobbied for improvements to the walk-ups. The fact that they could be allowed to fall into such disrepair means that the proposed short-term, quick sale of public land to obtain money is of no comfort to the community and certainly provides no guarantee that new accommodation (or the existing four high-rise) will be looked after into the future. There needs to be a more sustainable vision than simply obtaining money from selling off public land.<sup>299</sup>

While it is clear that Victoria's public housing stock is ageing, VAGO found that DHHS lacks reliable data to assess the condition of its stock and, consequently, the rate of deterioration.<sup>300</sup> Given the significant investment into the new public housing units, the Committee believes that the Victorian Government should commit to a public housing monitoring and maintenance strategy. This would assist DHHS to assess the condition of stock in future.

**FINDING 19:** The poor condition of many public housing estates in Victoria makes refurbishment of some, but not all, unviable.

**RECOMMENDATION 23:** That the Victorian Government develop and publish an ongoing, long-term monitoring and maintenance strategy for Public Housing Renewal Program sites.

**RECOMMENDATION 24:** That the Victorian Government identify which public housing estates are suitable for refurbishment and those which are not.

## 5.4 Social mix

A stated priority for the Public Housing Renewal Program is to integrate social and private housing on each site to create 'mixed tenure' communities. The Government's desired outcomes include:

- Reducing the concentration of public housing on each site to reduce stigma and the impact of social issues associated with high concentration of low-income housing
- Creating 'tenure-blind' buildings, where public housing looks the same as private housing

<sup>298</sup> Mark Feenane, Executive Officer, Victorian Public Tenants Association, *Transcript of evidence*, 10 November 2017, p. 12.

<sup>299</sup> Flemington Association, *Submission*, no. 99, p. 6.

<sup>300</sup> Auditor-General, *Managing surplus government land*, Victorian Auditor-General's Office, Melbourne, 2018, p. ix.

- Integrating social and private housing within each site to provide equal access to facilities for all residents.<sup>301</sup>

### 5.4.1 Rationale for mixed tenure

Inquiry stakeholders were divided on the perceived effectiveness of a social mix at the sites. The Victorian Government's submission stated that a high concentration of public housing and physical separation from the surrounding community can lead to 'stigma and poor social outcomes.'<sup>302</sup> Integrated mixed-tenure communities is a key outcome of the Public Housing Renewal Program that the Government believes will address these problems.<sup>303</sup>

Research carried out by AHURI found that areas that contain public housing attract a broad range of households if that public housing is well built. However, AHURI added: 'Many of the mechanisms through which social mix is hypothesised to create benefits for disadvantaged population are either unproven or their causality remains ambiguous.'<sup>304</sup>

According to AHURI, 'area effects', such as the availability of public services and the impact of broader disadvantage, have the greatest influence on social outcomes. Housing mix, it argues, cannot solve problems on its own but can be an important part of wider policy aims. This is because 'the problems to which housing policy might be addressed are the result of broader and systemic forces that are generating growing inequalities, both of opportunity and outcome.'<sup>305</sup>

AHURI also considers that social mix should be measured on a neighbourhood scale (4,000 to 8,000 people), rather than small-scale public housing developments.<sup>306</sup>

Similarly, an evaluation of the Carlton estate renewal by Melbourne University researchers Abdullahi Jama and Dr Kate Shaw concluded that social mix does not equate to social mixing and that 'the purported benefits for public housing tenants are unlikely to materialise.'<sup>307</sup>

Shaw *et al* reached a similar conclusion in their review of the Kensington redevelopment model. They found: 'Rather than delivering the cohesive community as intended, the 'introduced' social mix appears to achieve something more akin to the 'tectonic' relations ... in which the different socio-economic groups co-exist (or slide past each other) without interacting.'<sup>308</sup>

<sup>301</sup> Victorian Government, *Submission*, no. 172, pp. 42–43.

<sup>302</sup> *Ibid.*, p. 14.

<sup>303</sup> *Ibid.*, p. 16.

<sup>304</sup> Australian Housing and Urban Research Institute, 'Public housing renewal and social mix', viewed 7 February 2018, <<https://www.ahuri.edu.au>>.

<sup>305</sup> Australian Housing and Urban Research Institute, *Housing policies, social mix and community outcomes*, Australian Housing and Urban Research Institute, Melbourne, 2008, p. 2.

<sup>306</sup> Australian Housing and Urban Research Institute, 'Public housing renewal and social mix', viewed 7 February 2018, <<https://www.ahuri.edu.au>>.

<sup>307</sup> Abdullahi Jama and Kate Shaw, 'Why do we need social mix? Analysis of an Australian inner-city public housing estate redevelopment (Unpublished)', 2017, p. 1.

<sup>308</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 165.

VCOSS also noted the lack of conclusive evidence on the benefit of social mix at public housing estates, particularly in inner-city Melbourne which already enjoys good services. Referring to the fact that most of the evidence in this area comes from international jurisdictions with greater densities of disadvantage, it wrote:

Much of the international research examines the negative consequence of entire suburbs of entrenched disadvantage, often with a significant racial dimension. It is not certain that this translates to an inner Melbourne environment of relatively small social housing estates in areas that are otherwise affluent with good amenities.<sup>309</sup>

Similar arguments were made by the 3081 Community Development Renewal Group<sup>310</sup> and Yarra City Council.<sup>311</sup>

The Flemington Association supports the principle of mixed ownership of housing on the Flemington estate. This is a priority action of the association's 2017 Community Plan.<sup>312</sup> However, the Association was sceptical that the Public Housing Renewal Program will achieve its stated social aims, writing:

Unfortunately, the renewal will not magically integrate the private and public residents. In fact, the Association is concerned that the renewal will lead to severe loss of amenity for residents in the four remaining towers which could breed resentment and divide the community. With four 1960s towers housing only public housing residents, the Association hopes that ways can be found to fulfil the stated Design Principle:

- To balance issues of equity in the successful delivery of private and social housing that is 'tenure-blind'.
- To provide high levels of residential amenity and liveability.

But there is no clear strategy to achieve these aims.<sup>313</sup>

Overall, the evidence suggests that 'healthy communities' are found alongside good public services and infrastructure. AHURI, for example, examines how shared streets, bike lanes and footpaths contribute to social interaction.<sup>314</sup> As another example, Shaw *et al* quote a Kensington resident discussing the way in which families from different backgrounds mix when their children share public infrastructure such as playgrounds:

"I took my niece [to the Venny – the children's adventure playground] one day, for example, and you actually do meet parents and children who are both from public and private housing ... so that would be a way of actually getting to know [people]." [Owner-occupier]<sup>315</sup>

<sup>309</sup> Victorian Council of Social Service, *Submission*, no. 139, p. 14.

<sup>310</sup> 3081 Community Development Renewal Group, *Submission*, no. 84, p. 1.

<sup>311</sup> Yarra City Council, *Submission*, no. 58, pp. 6–8.

<sup>312</sup> Flemington Association, *Submission*, no. 99, p. 2.

<sup>313</sup> *Ibid.*, p. 5.

<sup>314</sup> Australian Housing and Urban Research Institute, *Housing policies, social mix and community outcomes*, Australian Housing and Urban Research Institute, Melbourne, 2008, p. 35.

<sup>315</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 95.

**FINDING 20:** Research has found that it is not clear that creating a social mix of tenants alone leads to social mixing or improves the life outcomes of public housing tenants. Rather, such a mix can be a part of a broader policy of creating healthy communities. This is because the social mix of neighbourhoods has a stronger influence on social outcomes.

**RECOMMENDATION 25:** That the Victorian Government conduct a longitudinal study on the link between social mix and social outcomes at public housing estates, and lead research into local area effects in disadvantaged communities in Victoria. The results of the studies should influence future social housing policy.

## 5.4.2 Tenure-blind developments

Another aim of the Public Housing Renewal Program is to further reduce stigma for public housing tenants through building inclusive public housing complexes that are indistinguishable from private buildings, either on the same site or nearby.

The Committee received broad support for the concept of ‘tenure-blind’ developments. For example, VCOSS believed that public housing tenants may be concerned about discrimination or prejudice from living in public housing. It wrote:

Tenants do not wish their address to be easily identified as public housing, nor their home to obviously be distinctly public housing, or different from the surrounding private housing. They want their children to be confident in inviting their friends home from school free of stigma or embarrassment.<sup>316</sup>

Accordingly, VCOSS recommended that building designs on the sites do not differentiate between public and private housing.<sup>317</sup>

Some stakeholders were concerned that although the buildings would appear to be tenure blind, the quality of the units and facilities would be lower for public housing tenants. The Victorian Public Tenants Association argued that that this occurred at the Carlton estate where one tower houses private residents while the other houses social housing tenants.<sup>318</sup>

Mr Foa told the Committee that the Government is pursuing ‘genuine integration’ through the Public Housing Renewal Program and has been ‘insistent’ on tenure-blind designs with developers.<sup>319</sup>

**FINDING 21:** Research shows the benefits of tenure-blind design where public and private housing are indistinguishable from each other.

**RECOMMENDATION 26:** That the Victorian Government ensure that designs of public and private housing at each site are tenure blind, including equitable access of public tenants to common facilities where practicable.

<sup>316</sup> Victorian Council of Social Service, *Submission*, no. 139, p. 14.

<sup>317</sup> Ibid.

<sup>318</sup> Victorian Public Tenants Association, *Submission*, no. 70, p. 8.

<sup>319</sup> Nick Foa, Director of Housing, Department of Health and Human Services, *Transcript of evidence*, 15 February 2018, p. 17.

### 5.4.3 Ratio of public-to-private housing

The Victorian Government has not stated what the ratio mix of public and private housing will be on the redeveloped sites. However, the Committee heard that a common figure in research is approximately 30 per cent public housing to 70 per cent private housing.

The Committee was unable to determine why this ratio is considered to provide the best outcome. Citta Property Group Director Mr Stephen McMillan told the Committee that the 30:70 ratio is accepted as optimal across Australia, however he conceded he was unaware of the basis of this claim.<sup>320</sup>

Dr Peter Raisbeck, an academic who worked on the Kensington estate renewal evaluation, discussed the ratio with the Committee at a public hearing. He said that he, too, was unable to determine how the ratio has come to be accepted as the optimal mix:

... in terms of the 30:70 mix ... this idea or notion or ratio appears to have come out as a result of a series of qualitative consultancy reports prepared for the Kensington Estate Redevelopment Advisory Committee; in other words, the advisory committee which sat before or worked out what they were going to do with the estate in 1999. This mix of 30:70, once determined, formed the key element of the redevelopment's financial structure, but there were no alternative quantitative forecasts and none appeared to have been undertaken regarding the initial proposal for a 30:70 mix of new public and private housing units. In other words, it appears that prior to tender no quantitative business case was prepared to explore the implications of this mix for cash flows and the risk profile of the project.

The Kensington evaluation reported that the Kensington Estate Redevelopment Advisory Committee also viewed literature on a 1995 Victorian Housing Commission redevelopment of a site in Preston that produced a 35:65 mix.<sup>321</sup>

In addition, Dr Raisbeck conducted economic modelling of scenarios with a different ratio of public-to-private units. His research found that a 50:50 ratio of public and private units could have been achieved for a relatively low marginal cost increase to the Victorian Government during the Kensington site renewal.<sup>322</sup>

Irrespective of cost, some stakeholders advocated for an increase in the ratio of public housing units as a matter of principle.<sup>323</sup> Cr Laurence Evans, Mayor of Bayside City Council, stated that the Council was seeking an increase to 50 per cent public housing units on the New Street, Brighton site.<sup>324</sup>

Darebin City Council went further in arguing that the redeveloped sites should remain social housing only, to address the projected demand of public housing.<sup>325</sup>

<sup>320</sup> Stephen McMillan, Managing Director, Citta Property Group, *Transcript of evidence*, 5 December 2017, pp. 32–33.

<sup>321</sup> Kate Shaw, et al., *Evaluation of the Kensington redevelopment and place management models: Final report*, University of Melbourne, Melbourne, 2013, p. 54.

<sup>322</sup> Dr Peter Raisbeck, *Transcript of evidence*, 10 November 2017, p. 5.

<sup>323</sup> Jan Lacey, *Submission*, no. 11.

<sup>324</sup> Cr Laurence Evans, Mayor, Bayside City Council, *Transcript of evidence*, 5 December 2017, p. 21.

<sup>325</sup> Darebin City Council, *Submission*, no. 61, p. 29.

The increase in social housing stock is discussed in more detail in Chapter 2 of this Final Report.

The Committee is concerned that adopting a one-size-fits-all ratio of public-private units for each estate fails to recognise local area effects and may not provide optimal social and economic outcomes for the use of public housing land. However, the Committee also acknowledges that the financial model chosen by the Victorian Government may not allow a greater mix of public and private units.

The Committee is not in a position to determine the optimal ratio of public-to-private housing on each site. The Committee believes that each site should be analysed to determine the optimal ratio that provides the best return for the State.

Table 5.1 outlines the ratio of public-to-private builds in the proposed schedules.

**Table 5.1** Ratio of public-to-private builds following the Standing Advisory Committee reports.

Renewal sites	Public-to-private ratio
Abbotsford Street, North Melbourne	37:63
Bellbardia and Tarakan estates, Heidelberg West	17:83 (Bellbardia)
	65:35 (Tarakan)
Gronn Place, Brunswick West	44:56
New Street, Brighton	45:55
Walker Street, Northcote	43:57
Flemington estate <sup>(a)</sup>	21:79

(a) Not part of the Public Housing Renewal Program.

Source: Social Housing Renewal Standing Advisory Committee, *Report No 1 – Common Issues*, Victorian Government, Melbourne, 2017.

**FINDING 22:** It is unclear what the final ratio of public-to-private units on each Public Housing Renewal Program site will be.

**RECOMMENDATION 27:** That the Victorian Government explain the rationale behind the final public-to-private ratio build at each Public Housing Renewal Program site. This rationale should help inform future decision-making for the Program.

#### 5.4.4 ‘Salt and pepper’ and block-by-block developments

The two main methods of integrating public and private housing discussed during the Inquiry were:

- ‘Salt and pepper’, where public and private housing units exist within the same complex (as happened at Kensington)
- Block-by-block, where each complex is dedicated specifically to either private or public housing (as happened at Carlton).

The Victorian Public Tenants Association supports a salt and pepper mix to create an ‘integrated cohesive community without the stigma attached to some ... stand alone public housing developments.’ It noted that a similar approach was undertaken for the Olympia and Heidelberg developments, which it believed created ‘better and more integrated communities.’<sup>326</sup>

Boroondara and Yarra Councils also supported a salt and pepper build.<sup>327</sup> Similarly, the Building Designers Association of Victoria believed it to be ‘best practice’ to reduce the stigma and isolation of public housing.<sup>328</sup>

However, the Committee also heard there were inherent design and management issues associated with salt and pepper developments. Mr McMillan explained the rationale behind constructing public and private housing block-by-block, telling the Committee:

From the State’s perspective they prefer to manage a building which they totally control. If you want to do salt and pepper, the State’s apartments get sprinkled through a body corporate, and you lose control. You do not have total control. You have to follow the rules of the body corporate. So there is a very clear view that the State wants to keep control of its assets and not be dictated to by a body corporate. There is also a view that it is more efficient to manage it if all of the units are in one building, and then they are not having to pay body strata fees et cetera.<sup>329</sup>

Mr McMillan added that integration of social and private units in the same building lowers the value of private units. However, he stated this would impose a greater cost for the Government rather than reducing profit to a developer, Mr McMillan said:

It does not matter to our return. It matters to you because you are the landowner. If you impose upon us a requirement that we have got to do salt and pepper, the imposition of that policy means that that land is less valuable. It is as simple as that. It does not impact the profitability from a developer’s point of view. We will just price the deal differently.<sup>330</sup>

In their joint submission, Launch Housing and Transforming Housing advocated for a variety of mixed ownership clusters, stating:

Mixed-tenure developments that integrate housing so that social and private properties are located side by side and are not discernibly different from each other, is more successful in achieving a socially cohesive neighbourhood than other models of tenure mix ... Similarly, urban design should allow for a variety of spaces ranging from private to semi-private and semi-public to public ... This is to allow residents to choose the degree to which they interact with people from different groups.<sup>331</sup>

<sup>326</sup> Victorian Public Tenants Association, *Submission*, no. 70, pp. 5–6.

<sup>327</sup> Yarra City Council, *Submission*, no. 58, p. 9; Boroondara City Council, *Submission*, no. 64, p. 8.

<sup>328</sup> Building Designers Association Victoria, *Submission*, no. 168, p. 2.

<sup>329</sup> Stephen McMillan, Managing Director, Citta Property Group, *Transcript of evidence*, 5 December 2017, p. 29.

<sup>330</sup> *Ibid.*, p. 30.

<sup>331</sup> Transforming Housing and Launch Housing, *Submission*, no. 87, p. 14.

The organisations advocated inclusion through:

... 'salt and peppering' social and private housing throughout the sites in small clusters, designing public and private dwellings that are indistinguishable from each other and by creating spaces that can be equally shared by different residents of the development.<sup>332</sup>

The Committee acknowledges the inherent difficulties with integrating public and private housing into the same complex. It believes there are benefits that can be achieved through a variety of housing mixes.

**FINDING 23:** It is more important for public and private housing be indistinguishable from each other and built to the same standard than built to a set model.

**RECOMMENDATION 28:** That the Victorian Government work with social housing experts and developers to determine the most appropriate development mix for each Public Housing Renewal Program site.

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332 Ibid., p. 5; Boroondara City Council, *Submission*, no. 64.



# Appendix 1

## Submissions

Submission no.	Name
1	Emily Frain
2	Ian Robertson
3	Dr Kate Shaw
4	Peter and Rita Fellows
5	Sue Burman
6	Maree Wilson
7	Banyule City Council
8	Jane Taylor
9	Australian Housing and Urban Research Institute
10	Eddie Bell
11	Jan Lacey
12	Steve Raskovy
13	John Scarratt
14	Gebreselassie Simon
15	John Kirkinis
16	City of Stonnington
17	Defend and Extend Public Housing
18	Housing for the Aged Action Group
19	Abigail Benham-Bannon
20	City of Port Phillip
21	Richard Agar
22	Nick Legge
23	City of Melbourne
24	Teresa Mankowska
25	Stephen and Esther Ryan
26	Robert Lam
27	Sue Leigh
28	Hassan Adan
29	Michael Naismith
30	Hands off Public Housing
31	Old Colonists' Association of Victoria
32	Ashburton Residents Action Group
33	Wingate Avenue Community Centre
34	Jesuit Social Services
35	Margo Coomber
36	Lorraine Siska
37	Port Phillip Housing Association
38	Ahmed Abdi

Submission no.	Name
39	Neville Haining
40	Margaret Hall
41	Seaford Housing Action Coalition
42	Grace Mugford
43	Paul McCourt
44	Michael Doyle
45	Salvatore Furfaro
46	Richard Holt
47	Hobsons Bay City Council
48	Dan McDonnell
49	All Saints Anglican Church
50	Sanjeevani Pathirage
51	Lesley Skinner
52	Deborah Patterson
53	Marcellene D'Menzie
54	John Friend-Pereira and Gemma-Jane Cooper
55	Jack Mahoney
56	Eileen Artmann
57	Mission Australia and Mission Australia Housing
58	Yarra City Council
59	Suzanne Crellin
60	Sally Ryan
61	City of Darebin
62	Yusuf Kose
63	Council to Homeless Persons
64	City of Boroondara
65	Carol Spark
66	Anne Greenaway
67	North and West Melbourne Association
68	Mukaddes Kurucu
69	Ubah Hussein
70	Victorian Public Tenants Association
71	James Hill
72	Jennifer Easson
73	Cathy van der Zee
74	Dr Caroline Reed
75	Justin Mottram
76	Kerry Jennings
77	Elizabeth Le Fanu
78	Dr Julie Lawson
79	Rose Iser
80	Community Change Alliance in the South East
81	Hawthorn Residents Action Group
82	Community Housing Industry Association Victoria

Submission no.	Name
83	Housing and Homelessness Network - Boroondara and Manningham
84	Community Development Renewal Group
85	Wendy Dawson
86	Joy Macdonald
87	Transforming Housing and Launch Housing
88	St Kilda Community Housing
89	Mornington Peninsula Shire
90	Launch Housing
91	Howard Marosi
92	Council of Single Mothers and their Children
93	Shirley Walker
94	Dr Winsome Roberts
95	Bayside City Council
96	Confidential
97	Janet Graham
98	Philip Salom
99	Flemington Association
100	Meredith Kidby
101	Dr Duncan Rouch
102	Nadia Ford
103	Hanh To
104	Living Positive Victoria
105	Ana-Maria Rivera
106	Andrew and Jennifer Martin
107	Christopher Haslam
108	Professor Ian and Elizabeth Porter
109	Liam Davies
110	Tyrone Mounsey
111	Elizabeth Bol
112	Committee of Management North Carlton Railway Neighbourhood
113	Tenants Victoria
114	Darebin Disability Advisory Committee and the Active and Healthy Ageing Board
115	Tahnee Wright
116	Philip Gluyas
117	Dee Carlson
118	Kerstin Kilian
119	Jerusalem Melees
120	Anthony Feigl
121	The Salvation Army
122	Martina Macey
123	South Port Community Housing Group
124	Coalition of Community Legal Centres
125	Libby Stewart
126	Dr Bruce Quig

<b>Submission no.</b>	<b>Name</b>
127	Banyule Community Health Social Work Team
128	Moonee Valley Legal Service
129	West Heidelberg Community Legal Service
130	Bernadette Coombe
131	Friends of Public Housing
132	Margaret Jungwirth
133	Moreland City Council
134	Jeremy Evans
135	Name Withheld
136	Ellie Bastow
137	St Andrews Foundation
138	Brotherhood of St Laurence
139	Victorian Council of Social Service
140-157	Pro forma submission A (see below)
158	Leni May
159	Frances Josephine Moore
160	Louis O'Connor
161	Sarah Burnell
162	Christian Gorgoni
163	Mary Ellen
164	Lenka Thompson
165	Dr Margaret McKenzie
166	Tiana Kollas
167	Jan Smith
168	Building Designers Association Victoria
169	North Brighton Residents Action Group
170	Justice Connect Homeless Law
171	Name Withheld
172	Government of Victoria

## A1.1

## Pro forma submission A

A1

Submission no.	Name
140	Jane Mavoa
141	John Oldfield
142	Sarah Timms
143	Laurence Kenny
144	Glenn Michael
145	Janice Nash
146	Alisha Cruse
147	Jenny Iiasi
148	Ana Gionino
149	Ben Leunig
150	Pat Stormont
151	Abdi Mumin
152	Kathy Doliniec
153	Penny Snow
154	Sonja van Dort
155	Gabrielle Innes
156	Ozan Yildirim
157	Vicky Tran



# Appendix 2

## Public hearings

### Thursday 15 February 2018 — Federation Room, Parliament House, Spring Street, East Melbourne

Name	Title	Organisation
Kathy Mitchell	Chair	Social Housing Renewal Standing Advisory Committee
Sarah Carlisle	Deputy Chair	
Nick Foa	Director of Housing	Department of Health and Human Services
Hamdi Ali	Secretary	Carlton Housing Estates Residents Services
Martina Macey		

### Tuesday 5 December 2017 — Legislative Council Committee Room, Parliament House, Spring Street, East Melbourne

Name	Title	Organisation
Jenni Smith	Executive Officer	Northern Community Legal Centre
Stephanie Price	Principal Lawyer	West Heidelberg Community Legal Service
Agata Wierzbowski	Principal Lawyer	St Kilda Legal Service
Cr Steven Stefanopoulos	Mayor	Stonnington City Council
Cr Coral Ross	Councillor	Booroondara City Council
Cr Laurence Evans	Mayor	Bayside City Council
Stephen McMillan	Director	Citta Property Group
Rob Spence	Chief Executive Officer	Municipal Association of Victoria
Salvatore Furfaro		
Nick Legge		

**Friday 10 November 2017 — Legislative Council Committee Room,  
Parliament House, Spring Street, East Melbourne**

<b>Name</b>	<b>Title</b>	<b>Organisation</b>
Dr Peter Raisbeck		
Mark Feenane	Executive Officer	Victorian Public Tenants Association
Jan Thorpe	General Manager	
Hilary Smith	Senior Projects Manager	Wingate Avenue Community Centre
Suzanne Midolo	Committee Member	
Lesley Dredge	Chief Executive Officer	Community Housing Industry Association Victoria
Haleh Homaei	Chair	
Richard Holt		
Dr Ian Porter	Committee Member	
Peter Fellows	Committee Member	Ashburton Residents Action Group



# Appendix 3

## Social housing renewal projects in Victoria

### A3.1 Markham Avenue, Ashburton

The Markham Estate is a public housing redevelopment project that began in 2015. It is currently under review as the Planning Amendment approved for the site was revoked by the Legislative Council in November 2017.

Renewal of the estate was undertaken by Development Victoria. The project involved demolition of 56 public housing units, which was completed in 2016. These were planned to be replaced with 62 public housing units and 163 private units.

In its submission, the Government outlined the process for the Markham Avenue estate:

- A community consultation process was held during 2016. Issues highlighted included density, traffic and adverse effect on community infrastructure.
- A combined town planning amendment and planning permit application was submitted to the Minister for Planning following the consultation process. The application was later amended to incorporate changes requested by stakeholders.
- The Minister for Planning Approved the Markham Housing Estate Incorporated Document in September 2017. It was gazetted on 5 October 2017.
- On 16 November 2017, Planning Amendment C251 was revoked by vote of the Legislative Council under section 38 of the *Planning and Environment Act 1987*.<sup>332</sup>

### A3.2 Koolkuna Lane, Hampton

The Koolkuna Lane precinct is being redeveloped as part of the Hampton Station Enhancement Project, which is being administered by VicTrack. EPC Pacific<sup>333</sup> was appointed as the developer. At the time of writing, the proposal was before VCAT.

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<sup>332</sup> Victorian Government, *Submission*, no. 172, pp. 34–35.

<sup>333</sup> Trading as Villiage @ Hampton Pty Ltd.

There are 16 public ‘elderly persons units’ on the corner of Koolkuna Lane and Willis Street, Hampton, which are considered no longer fit for purpose. These will be replaced with 18 new public housing units.

The Government engaged in community consultation sessions in November 2016. This included a website, on-street engagement and two ‘drop-in’ sessions hosted by DHHS. Plans for the development were submitted to Bayside City Council in December 2016. The plans included a seven-storey development with nine shops and 207 dwellings (including 18 social housing units).

In June 2017 Bayside City Council refused the planning application and the matter was referred to VCAT on appeal.<sup>334</sup>

### A3.3 Stokes, Penola and Oakover Street, Preston.

The Preston site is currently vacant as public housing previously on the site was demolished in stages over a number of years until 2012, as it was considered not fit for purpose. Redevelopment of the site will occur in two stages and includes construction of private housing to fund the project. The Government has committed \$20 million for the redevelopment under *Homes for Victorians*.<sup>335</sup>

Under stage one of the redevelopment, 68 new public housing units will be constructed on two sites. These replace 62 public housing units that were previously on the estate. The first site will consist of 22 apartments in three storeys. The second site will include 46 apartment in four storeys.

Stage two of the Preston redevelopment forms part of the Government’s current procurement process, along with six of the Public Housing Renewal Program sites. This stage involves construction of public housing units on a vacant lot on the corner of Stokes and Penola Streets and replacing units on Oakover Road (which currently has 26 public housing units on it). Redevelopment must include a minimum of 30 public housing units on the two sites.<sup>336</sup>

The Government stated that it has provided five relocatable units on vacant land under stage two of the renewal, as part of the Towards Home initiative. This is intended to provide short-term accommodation and intensive support to homeless people as they transition in sustainable longer term accommodation.<sup>337</sup>

<sup>334</sup> Victorian Government, *Submission*, no. 172, p. 35. On 31 January 2018, VCAT reduced the height limit to six storeys.

<sup>335</sup> Victorian Government, *Homes for Victorians – Affordability, access and choice*, Victorian Government, Melbourne, 2017, p. 35.

<sup>336</sup> Victorian Government, *Submission*, no. 172, p. 36.

<sup>337</sup> *Ibid.*

## A3.4 Olympia Housing Initiative

The Olympia Housing Initiative was announced in 2012. The Government has allocated \$160 over 10 years to renew public housing sites in Heidelberg West, Heidelberg Heights and Bellfield suburbs. The Initiative is administered by the Victorian Health and Human Services Building Authority.<sup>338</sup>

The Initiative consists of two streams. Stream one aims to replace 600 ‘unusable or outdated’ public housing units with newly constructed units. Unlike the Public Housing Renewal Program, there is no requirement for a 10 per cent increase in public housing stock — the number of units will remain the same.<sup>339</sup>

Stream two aims to identify larger sites for redevelopment and opportunities to initiate partnerships with the private and community housing sectors.<sup>340</sup>

According to the Government, over 900 tenants have been contacted about voluntary participation in the initiative. More than 230 families have been relocated to new housing.<sup>341</sup> 224 new units have been built, with 35 more undoing construction in the 2017–18 financial year.<sup>342</sup>

A3

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<sup>338</sup> Victorian Health and Human Services Building Authority, ‘Olympia Housing Initiative’, viewed 5 February 2018, <<https://vhhsba.vic.gov.au>>.

<sup>339</sup> Victorian Government, *Submission*, no. 172, pp. 36–37.

<sup>340</sup> *Ibid.*

<sup>341</sup> *Ibid.*, p. 37.

<sup>342</sup> *Ibid.*



# Appendix 4

## **Neighbourly behaviour statement**

A4

# Neighbourly behaviour statement

A4

***Before you proceed, save this document into your hard drive or desktop.***

Most public housing tenants are good neighbours, but the behaviour of some tenants can make life in public housing communities less enjoyable and unsafe for others.

This Neighbourly behaviour statement issued by the Department of Health and Human Services outlines the behaviour expected of public housing tenants. Tenants who do not meet their obligations and responsibilities risk losing their public housing tenancy.

*New tenants must sign this statement prior to the Director of Housing entering into a tenancy agreement with them.*

## Being a good neighbour

Local communities work best when neighbours:

- respect others' rights and privacy
- take responsibility for their actions and those of their family and visitors
- respect communal areas and others' right to appropriately use these spaces
- are considerate and tolerant of others.

## Un-neighbourly behaviour

Tenants who interfere with neighbours' rights are not good neighbours. Examples of un-neighbourly behaviour include:

- vandalism and destruction of others' property or common areas
- aggressive or violent behaviour
- illegal activity
- excessive noise or disruptive behaviour
- failing to keep the rented property in a reasonably clean condition including the outdoor areas.

Keeping a property reasonably clean could include such things as maintaining the garden, not undertaking repairs on automobiles, motorbikes and bicycles in front yards or on the street, properly disposing of rubbish, not storing excessive amounts of furniture, household goods or papers which could create a fire risk.

## Your tenancy agreement with us

Your tenancy agreement sets out your rights and responsibilities. Information on your rights and responsibilities is also available on the department's [housing website](http://www.housing.vic.gov.au) <www.housing.vic.gov.au>

## Complying with your tenancy agreement

You are expected to:

- pay your rent and related charges on time
- always provide accurate information about who is living in your property

- not sub-let any part of your property
- keep your rented property reasonably clean both inside and outside
- avoid damaging your property or common areas
- not interfere with your neighbours' rights to peace, comfort and privacy.

**Consequences of breaching your tenancy agreement**

The Department of Health and Human Services (the department) will issue a breach of duty notice if you, a household member or visitor to the house:

- cause a nuisance or interfere with the reasonable peace, comfort or privacy of your neighbours
- damage your rented property or common areas
- fail to keep your rented property in reasonably clean condition
- install any fixtures or make any alteration, renovation or addition to the rented property without the department's consent.

Under the department's 'three strikes policy', if you breach the same duty provision three times within a 12-month period, or breach a compliance order, a decision may be taken to terminate your tenancy in accordance with the **Residential Tenancies Act 1997**.

The department will seek compensation for any damage to a rented property, and seek to end a tenancy where necessary to ensure the safety and wellbeing of others.

The department will take a zero tolerance approach to:

- malicious damage to a property
- endangerment of the safety of other occupiers
- use of a property for illegal purposes or drug-related conduct.

**If you engage in any of these activities, you will risk being evicted under the Residential Tenancies Act 1997.**

*I/we acknowledge the behaviour expected of me/us while living in public housing:*

<b>Full name of Tenant 1</b>	
<b>Signature</b>	
<b>Date</b>	
<b>Full name of Tenant 2</b>	
<b>Signature</b>	
<b>Date</b>	
<b>Full name of Tenant 3</b>	
<b>Signature</b>	
<b>Date</b>	
<b>Full name of Tenant 4</b>	
<b>Signature</b>	
<b>Date</b>	

## Information privacy

The Department of Health and Human Services is committed to protecting the privacy of your personal information. Personal information is information which directly or indirectly identifies a person. We need to collect and handle your personal information in order to be able to process your application. All the information you give us will be handled in accordance with the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*.

If you are using other department programs we may share some of your information with them to help us coordinate better services for you. We will not use your information for any other purpose other than those listed on these forms, to provide services to you, or without your consent, unless the law requires us to do so.

You can access your information through the *Freedom of Information Act 1982* or through the *Privacy and Data Protection Act 2014*. For information about Freedom of Information requests, call 1300 650 172 or apply online at [www.foi.vic.gov.au](http://www.foi.vic.gov.au). For further information about privacy, call: 1300 884 706 or email: [privacy@dhhs.vic.gov.au](mailto:privacy@dhhs.vic.gov.au)

To receive this publication in another accessible format, contact your local office using the National Relay Service 13 36 77 if required.

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This information is also available in other community languages, including Arabic, Chinese, Croatian, Greek, Italian, Polish, Russian, Somali, Spanish, Turkish and Vietnamese.

Available at < [www.housing.vic.gov.au](http://www.housing.vic.gov.au) >



# Appendix 5

## Summary of Victorian Housing Register categories

	Category	New Applicants or Transfer Applicants
Priority Access	Emergency Management Housing – for people whose housing is no longer safe or habitable, due to an emergency, for example a house fire, bushfire, flood or storm.	New and Transfer Applicants
	Priority Transfers – for people that require urgent relocation to another social housing property as their current property is unsafe; is to be sold; redeveloped or better utilised	Transfer Applicants
	Homeless with Support – for people who are homeless or experiencing family violence and need support to obtain and establish appropriate, long term housing	New Applicants
	Supported Housing – for people who live in unsuitable housing and have a disability or long-term health problem requiring major structural modifications and/or personal support to live independently	New Applicants
	Special Housing Needs – for people who are living in housing that has become unsuitable and who have no alternative housing options.	New and Transfer Applicants
	Special Housing Needs aged 55 years and over – for singles and couples who are aged 55 years and over, and who are not eligible for another priority category.	New
	Register of Interest – for people who do not have an urgent housing need but are interested in social housing to apply to the Register for consideration	New and Transfer Applicants

Source: Department of Health and Human Services, *Victorian Housing Register – Eligibility policy framework*, Department of Health and Human Services, Melbourne, 2017, p. 3.



# Appendix 6

## Outcomes of the Social Housing Renewal Standing Advisory Committee recommendations

### A6.1 Debneys Precinct, Flemington Estate Renewal

Recommendation	Minister's response	Outcome
Replace the exhibited version of Development Plan Overlay Schedule 8 with the revised version as provided in Appendix D.	Supported in part	<p>The amended DPO schedule contains some similar aspects to the SAC proposal, however does not include:</p> <ul style="list-style-type: none"> <li>• Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO <ul style="list-style-type: none"> <li>- A Strategy for Community Engagement to facilitate feedback on the proposed DPO</li> <li>- Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>• A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>
Update the Framework Plan in the Debneys Precinct Structure Plan to be consistent with the updated Development Plan Overlay Schedule 8.	Supported in part — to be further considered at a later point in time	No update to Framework Plan
<p>Amend Clause 21.06-7 of the Moonee Valley Planning Scheme to include the following additional dot point:</p> <ul style="list-style-type: none"> <li>• "Complete Stage 2 of the Debneys Precinct Structure Plan prior to the completion of the redevelopment of the Flemington Housing Estate envisaged under Stage 1 of the Structure Plan."</li> </ul>	Supported	Amended Clause 21.06-17 to include the recommended additional text.

Note: Not part of the Public Housing Renewal Program.

## A6.2 Gronn Place Estate, Brunswick West

Recommendation	Minister's response	Outcome
<p>Amend the additional policy statement added at Clause 22.01-3 to read:</p> <ul style="list-style-type: none"> <li>• “Ensure that new higher density development on public housing sites in the Mixed Use Zone is designed to meet the relevant built form provisions as set out in the applicable zone and overlay controls”.</li> </ul>	Supported	Amended Clause 22.01-3 to include the recommended additional text.
<p>Amend Schedule 2 of the Mixed Use Zone as follows:</p> <ul style="list-style-type: none"> <li>• the second objective to read “To provide for housing diversity”.</li> <li>• the third objective to read “To provide for limited non-residential uses in appropriate locations where potential amenity impacts as a result of the uses can be appropriately managed”.</li> </ul>	Supported	Amended Schedule 2 to include the recommended additional text.
<p>Amend the Development Plan Overlay Schedule 12 in accordance with the Committee's recommended version contained in Appendix D of this report.</p>	Supported in part	<p>The amended DPO schedule contains some similar aspects to the SAC proposal, however does not include:</p> <ul style="list-style-type: none"> <li>• Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO</li> <li>• A Strategy for Community Engagement to facilitate feedback on the proposed DPO                             <ul style="list-style-type: none"> <li>- Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>• A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>

### A6.3 Bellbardia and Tarakan Estates, Heidelberg West

Recommendation	Minister's response	Outcome
Apply the Residential Growth Zone to the Tarakan site	Supported	Applied the Residential Growth Zone
Abandon the proposed changes to the table in Clause 21.06-2	Supported	No changes made to the table in Clause 21.06-2 as recommended.
Amend the Development Plan Overlay Schedule 5 (Bellbardia Estate) and Development Plan Overlay Schedule 6 (Tarakan Estate) in accordance with the Committee's recommended versions contained in Appendices D and E of its report.	Supported in part	<p>The amended DPO schedules contain some similar aspects to the SAC proposal, however does not include:</p> <ul style="list-style-type: none"> <li>• Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO</li> <li>• A Strategy for Community Engagement to facilitate feedback on the proposed DPO                             <ul style="list-style-type: none"> <li>- Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>• A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>

A6

### A6.4 Walker Street Estate, Northcote

Recommendation	Minister's response	Outcome
Apply the Residential Growth Zone to the site, with a tailored schedule to reflect the heights proposed as mandatory in Development Plan Overlay Schedule 13.	Not supported	Applied a Mixed Use Zone to the site and no reference made to the proposed heights being mandatory in the DPO.
DHHS and Council work together to determine an appropriate location for a pedestrian/cycle path and to facilitate the rehabilitation of the Merri Creek reserve abutting the site.	Supported	
Amend the Development Plan Overlay Schedule 13 in accordance with the Committee's recommended version contained in Appendix D.	Supported in part	<p>The amended DPO schedule contains some similar aspects to the SAC proposal, however does not include:</p> <ul style="list-style-type: none"> <li>• Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO</li> <li>• A Strategy for Community Engagement to facilitate feedback on the proposed DPO                             <ul style="list-style-type: none"> <li>- Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>• A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>

## A6.5 Abbotsford Street, North Melbourne

Recommendation	Minister's response	Outcome
Apply the Public Use Zone 2 to the part of the site designated Area 2 in the Concept Plan	Not supported	Applied a Residential Growth Zone to the whole site.
Apply the Residential Growth Zone to the balance of the site, with a tailored Schedule to specify mandatory height limits of five storeys across the whole of the site consistent with those in the Committee's recommended version of Development Plan Overlay Schedule 11	Support in part	Applied a Residential Growth Zone to the whole site. Applied mandatory 5-storey height limits implemented across the whole site.
Delete the proposed changes to Clauses 21.04 and 21.06 of the Municipal Strategic Statement	Supported	No changes made to Clauses 21.04 and 21.06.
Amend the Development Plan Overlay Schedule 11 in accordance with the Committee's recommended version contained in Appendix D of its Report.	Support in part	The amended DPO schedule contains some similar aspects to the SAC proposal, however does not include: <ul style="list-style-type: none"> <li>• Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO</li> <li>• A Strategy for Community Engagement to facilitate feedback on the proposed DPO                             <ul style="list-style-type: none"> <li>- Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>• A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>

## A6.6 New Street, Brighton

Recommendation	Minister's response	Outcome
Approve draft Amendment C157 to the Bayside Planning Scheme, subject to the following changes:		
<ul style="list-style-type: none"> <li>Apply the Residential Growth Zone to the site, with a tailored schedule to provide a mandatory six storey height limit.</li> </ul>	Supported	Applied the Residential Growth Zone to the site and applied mandatory six storey height limits.
<ul style="list-style-type: none"> <li>Amend the Development Plan Overlay Schedule 3 in accordance with the Committee's recommended version contained in Appendix D of this report.</li> </ul>	Supported in part	<p>The amended DPO schedule contains some similar aspects to the SAC proposal, however does not include:</p> <ul style="list-style-type: none"> <li>Decision Guidelines to provide for consideration of stakeholder views prior to the approval of the DPO</li> <li>A Strategy for Community Engagement to facilitate feedback on the proposed DPO                             <ul style="list-style-type: none"> <li>– Instead, a Community Engagement Report must form part of the DPO</li> </ul> </li> <li>A requirement to make the proposed DPO publicly available for inspection prior to the Responsible Authority's consideration.</li> </ul>
If the above Recommendation (1(a)) is not adopted, amend Clause 22.06 of the Bayside Planning Scheme (Neighbourhood Character Policy) so that it does not apply to the site.	Not applicable	

A6





Appendix 7  
**North Melbourne indicative  
design brochure**

A7

DHHS Inquiry Submission Attachment 4 - TOR 9 North Melbourne Story Boards

# Public Housing Renewal Program

– Abbotsford Street, North Melbourne



ARTIST IMPRESSION

As part of the Homes for Victorians strategy, the Victorian Government has committed **\$2.7 billion** for social housing, the biggest commitment to the sector in our State's history.

The Public Housing Renewal Project is a **\$185 million** investment, improving social housing across metropolitan Melbourne.

The Department of Health and Human Services (the department) is planning to redevelop a number of ageing public housing estates into vibrant, better-connected, mixed-tenure neighbourhoods where people can live in housing that is safe and secure. The department wants to grow social housing in these areas because they are close to transport, education and work opportunities, as well as support services. Social housing at each estate will increase by at least 10 per cent and deliver properties that better suit the needs of tenants.

The State Government is partnering with private developers to deliver integrated communities that lead to greater opportunities for residents and the elimination of public housing silos resulting in diverse and flourishing neighbourhoods.



[www.housing.vic.gov.au](http://www.housing.vic.gov.au)



Health  
and Human  
Services

DHHS Inquiry Submission Attachment 4 - TOR 9 North Melbourne Story Boards

# The Abbotsford Street, North Melbourne proposal



## About the project

- > We're replacing rundown walk-up buildings constructed in the 1950's, with new, modern homes built to Australian and international best practise.
- > There will be more homes than before. For the first time on this site there will be a mix of private and public housing. This helps fund better buildings and creates a vibrant, integrated community.
- > There will be homes to suit older residents, people with disabilities, and families with young children.
- > Open spaces will be designed with safety and security in mind.
- > Current residents will be given the first opportunity to live in one of these new homes.
- > We've made provision for much-needed, new education and arts facilities, helping relieve pressure on inner city schools. These facilities will be developed following further consultation with the broader community and educators

A7



## What we've done so far



– We began talking with the estate community to understand what they'd like to see on the renewed and redeveloped site.



– Based on what we'd heard, our designers prepared concept sketches. Residents, stakeholders and neighbours were invited to comment on the plans and help shape the future of the North Melbourne estate. People were able to have their say in person and online.

## The Sketch Plan



- > The Sketch Plan formed the basis of the consultations we held in May 2017.
- > It shows possible heights and setbacks after an initial analysis of the site and its surroundings and reflects the feedback we received from residents.
- > The Sketch Plan was developed in line with the principles of the Renewal Program, taking into consideration the opportunities and constraints of the current site, including:
  - **Building height transition** – placing the lowest buildings in areas where the land borders existing houses and heritage areas, with taller buildings located in less sensitive areas.
  - **Improved open space** – providing public open space for the local community with good connections to Molesworth and Abbotsford Streets.
  - **Pedestrian connections** – enhancing pedestrian connection between Wood Street and Molesworth Street, through the new open space.
  - **Catering for local needs** – providing spaces for cafes and other shops to cater for local needs and provide opportunities for socialising.

A7

## The Supporting Documents



- > The proposed planning amendment has been developed following a design-led process.
- > The supporting documents include a traffic assessment, a tree assessment and an Urban Design Framework.
- > **The Design Framework** – a physical interpretation of the vision and strategies of the project, includes the findings of the supporting documents, Design Principles and consultation feedback and responds to site opportunities and constraints. The Framework provides a design response to:
  - **Built form** – showing building heights and their distance from boundaries on the site.
  - **Internal connections and movement networks** – showing how cars, people and bicycles may move into and through the site.
  - **Amenity** – addresses access to sunlight, open spaces, views and site safety, driven by the urban design.
  - **Parking** – showing where and how the required number of parking spaces can be accommodated on site.
  - **Landscape** – showing preservation of current trees and areas where new trees may be planted.



- > The document also shows you in which direction shadow will fall at different times of the day.

DHHS Inquiry Submission Attachment 4 - TOR 9 North Melbourne Story Boards

## What has changed since the sketch plan?



- > Following public response to the original design and wider feedback about educational needs in the community, we made significant changes to the design of the site.
- > A significant portion of land (approximately 5,500m<sup>2</sup>) has been reserved for a new school, with access to Molesworth Street. The type of educational facilities to be provided will be decided following further consultation with the community and educators.
- > We've reduced building height and now have more certainty about the location of these buildings and where the open spaces will be within the new development. Buildings between 3 - 12 storeys were originally proposed; heights have now been reduced to between 3 and 9 storeys.
- > Nearby heritage buildings have been taken into consideration, with a stepping down of the height of proposed buildings at the edges of the site.
- > The Hardwicke Street laneway, extension of Wood Street and a new east-west road reduce the number of new vehicle access points onto Abbotsford , Molesworth and Haines Streets. Car parking for the new homes will all be accessed from inside the site.

A7



## Proposed Planning Amendments



- > These are the technical documents that implement changes to the City of Melbourne's planning rules, enabling the renewal of the North Melbourne site and include:
  - **Rezoning** – It is proposed to rezone the site to 'mixed-use'. This allows additional building heights and gives approval for other amenities such as a cafés or small shops.
  - **Development Plan Overlay** – This is the document that will provide the limits on building heights and setbacks. A Development Plan needs to be prepared before planning permission can be granted for a new development. The plan sets out additional matters that will need to be considered, such as:
    - A transport and traffic management plan
    - An environmental site assessment
    - An ecologically sustainable development plan and;
    - A landscape and open space plan
  - **Parking Overlay** – Applies a house-to-carpark ratio for the site, based on the recommendations of an independent traffic engineering assessment and the ratio that applies to nearby areas in the City of Melbourne.
  - **Responsible Authority** – It is proposed that the Minister for Planning becomes the person responsible for making all decisions on a future planning application at the site.
  - **Other procedural items** – An Explanatory Report detailing the planning amendment, changes to planning maps and administrative issues.
  
- > These are the key documents that the Standing Advisory Committee will be assessing and making recommendations on. This committee has been appointed by the Minister for Planning to consider the proposed planning amendment.

DHHS Inquiry Submission Attachment 4 - TOR 9 North Melbourne Story Boards

## The 3D Images



- > These images are an artistic impression of the development and have been designed within the parameters set by the Design Framework.
- > They consider local character, surrounding landscapes and architecture, and possible building materials.



ARTIST IMPRESSIONS







## Next Steps

- ✓ Exhibition of the proposed planning amendment is underway and will formally conclude on **20 September 2017**. You are invited to consider the development proposals and make a submission to the Standing Advisory Committee. You'll also have the opportunity to elect to be heard at the Standing Advisory Committee Hearing.
- ✓ Letters were sent to 2000 properties advising of the submissions process. Full details on how to make a submission and the decision making process is available online at [www.planning.vic.gov.au/shrp](http://www.planning.vic.gov.au/shrp)
- ✓ This consultation process is being managed by the Department of Environment, Land, Water and Planning on behalf of Planning Panels Victoria.
- ✓ Public hearings to consider all submissions received will commence on **23 October 2017**.

A7



DHHS Inquiry Submission Attachment 4 - TOR 9 North Melbourne Story Boards

# Minister's Pledge



**We Pledge That....**

1. Public Housing tenants who are relocated as part of the Public Housing Renewal Project will have the right to return to their estates after construction has finished.
2. Public Housing tenants who return to the new estates will still have their rent calculation limited to 25% of their household income.
3. Public Housing tenants who return to the new estates will experience no reduction in their security of tenure.

**Homes for Victorians**

*Martin Foley*  
 Martin Foley MP

VPTA  
 #publicandproud

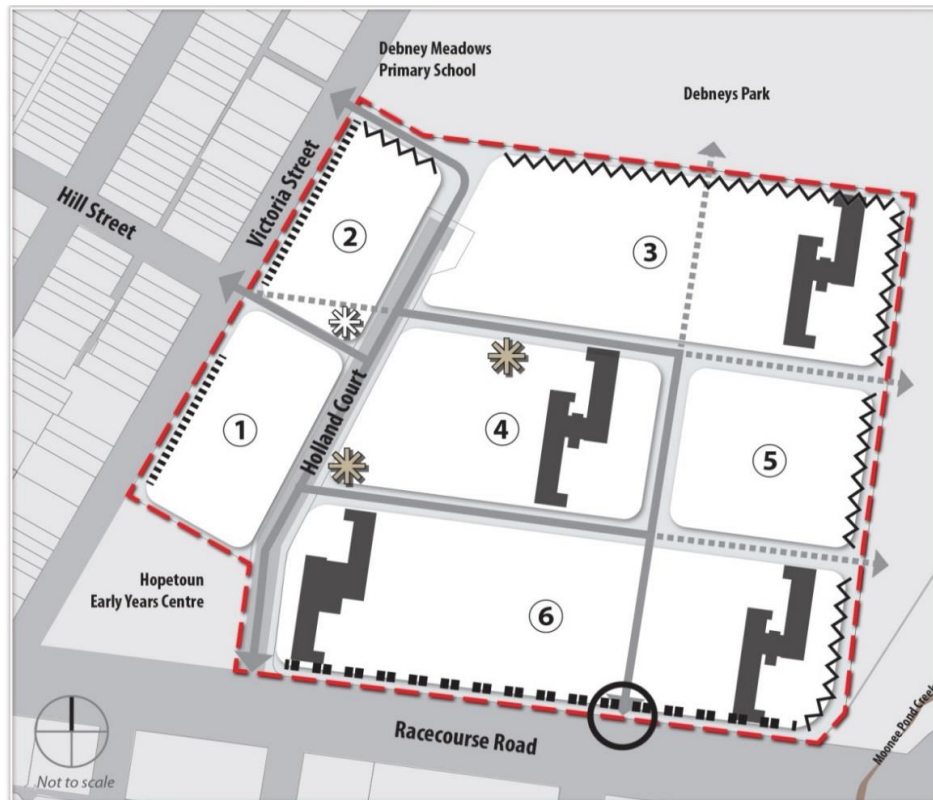
A7

## Our promise to you:

- > You have the right to return to your estate after construction is finished.
- > You will choose where you move to.
- > Your income and eligibility will not be reassessed as part of the process.
- > Your rent will not change, if your circumstances have not changed.
- > We will apply all processes fairly.
- > We will talk to you about your needs.
- > Consider your needs before offering you options to move to another home.
- > We will pay the reasonable costs incurred when you relocate, and if you move back to the estate.

Appendix 8  
**Summary of Social Housing  
Renewal Standing Advisory  
Committee height and setback  
recommendations**

## A8.1 Debneys Precinct, Flemington Estate Renewal



### LEGEND

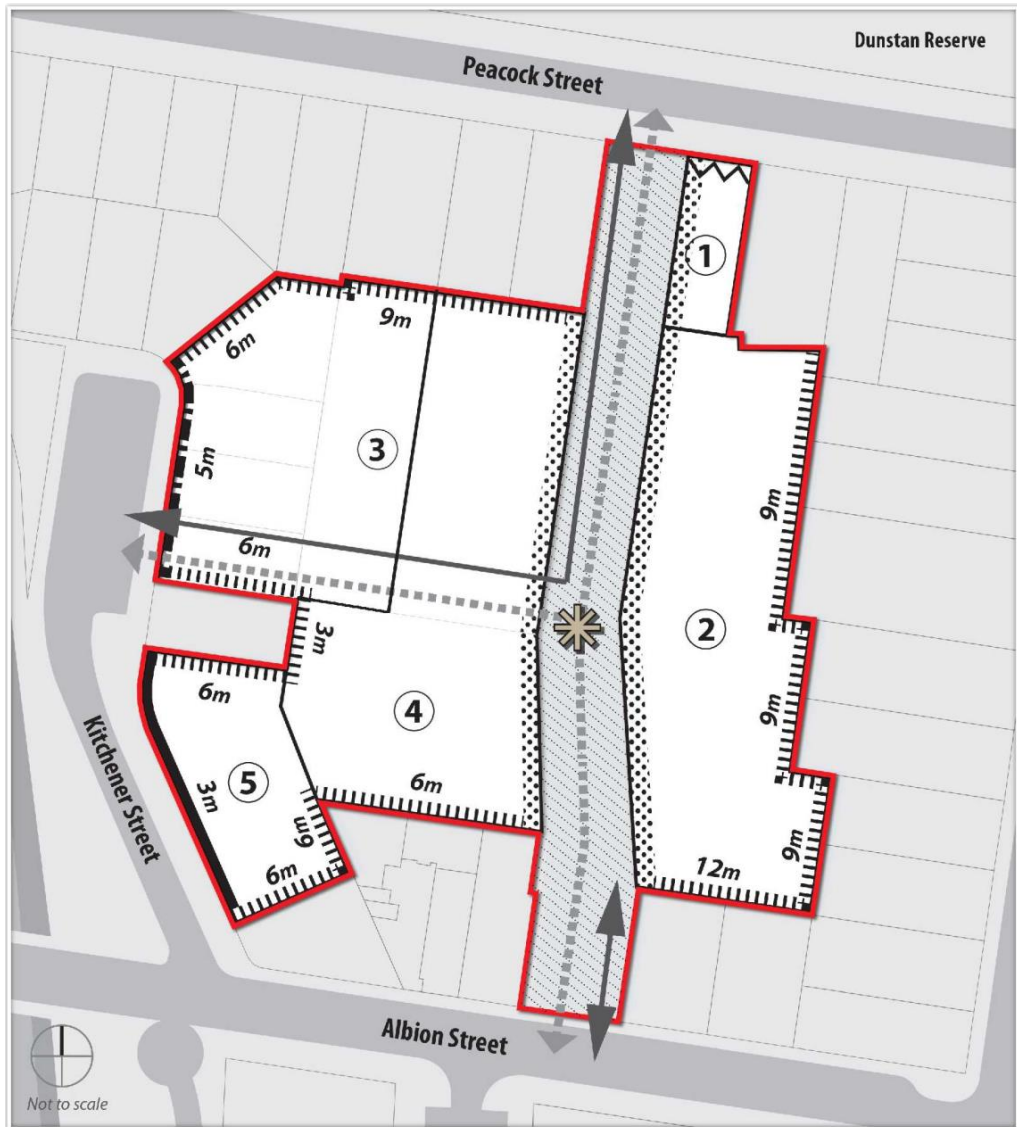
	Site		Internal roads
	Existing residential towers		Pedestrian connections
	Precincts		Interface Treatment A
	Potential location of centrally located park		Interface Treatment B
	Potential location of gateway park		Interface Treatment C
	Existing signalised intersection		

Area	Maximum building height
1	6 storeys
2	6 storeys
3	8 storeys
4	7 storeys
5	6 storeys
6	8 storeys

Note: Not part of the Public Housing Renewal Program.

Source: Social Housing Renewal Standing Advisory Committee Report 2: Flemington, Appendix D, p 45.

## A8.2 Gronn Place Estate, Brunswick West



**LEGEND**

Site

Internal pedestrian connections

Internal vehicle connections



Potential location of new open space area



Open space corridor



Area

**INTERFACE TREATMENTS (with associated boundary setbacks)**

6m Interface Treatment A

5m Interface Treatment B

Interface Treatment C

Interface Treatment D

3m Interface Treatment E

Area	Maximum building height
1	3 storeys
2	2 – 6 storeys
3	3 – 6 storeys
4	3 – 6 storeys
5	3 – 6 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 3: Brunswick West, Appendix D, p 33.

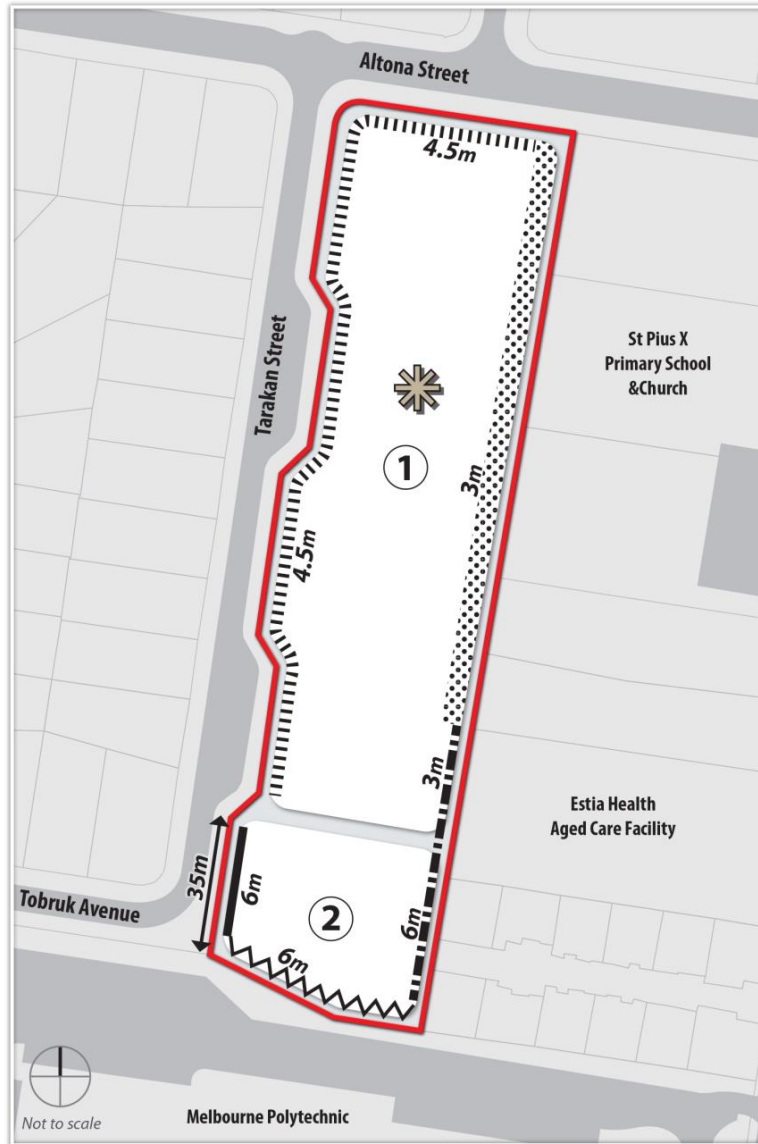
### A8.3 Bellbardia Estate, Heidelberg West









Area	Maximum building height
1	10 storeys
2	6 storeys
3	3 storeys
4	3 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 4: Heidelberg West, Appendix D, p 29.

## A8.4 Tarakan Estate, Heidelberg West



**LEGEND**

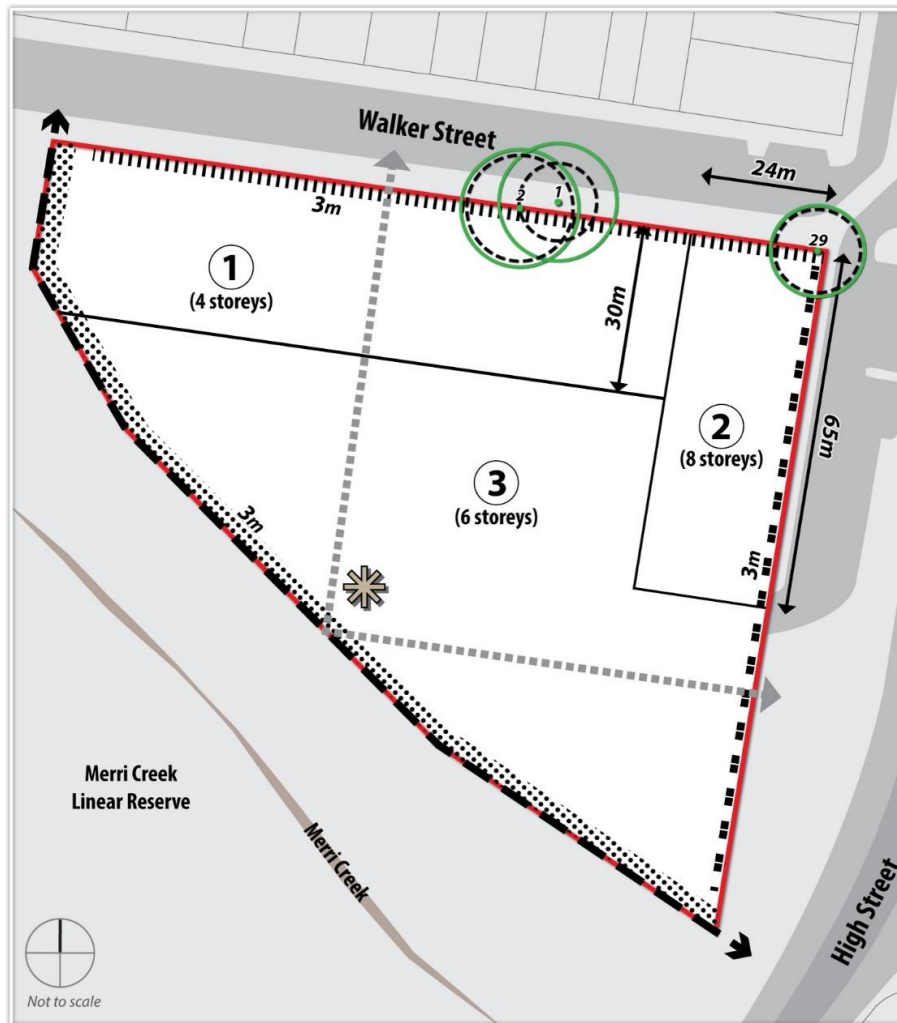
	Site		Interface Treatment A		Interface Treatment D
	Area		Interface Treatment B		Interface Treatment E
	Potential location of new open space area		Interface Treatment C		

Area	Maximum building height
1	3 storeys
2	6 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 4: Heidelberg West, Appendix E, p 40.

A8

## A8.5 Walker Street Estate, Northcote



**LEGEND**



Site



Internal connections



Pedestrian Path



Potential location of new open space area



Area (with associated building height)



Trees to be retained (refer Tree Assessment prepared by Galbraith Associates dated 31.01.2017)

**INTERFACE TREATMENTS (with associated boundary setbacks)**



Interface Treatment A



Interface Treatment B



Interface Treatment C

Area	Maximum building height
1	4 storeys
2	8 storeys
3	6 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 5: Northcote, Appendix D, p 32.



## A8.6 Abbotsford Street, North Melbourne



A8

**LEGEND**

- Site
- 3 Area (with associated building height)
- Publicly accessible shared space
- Vehicle access
- Pedestrian connection

**INTERFACE TREATMENTS**

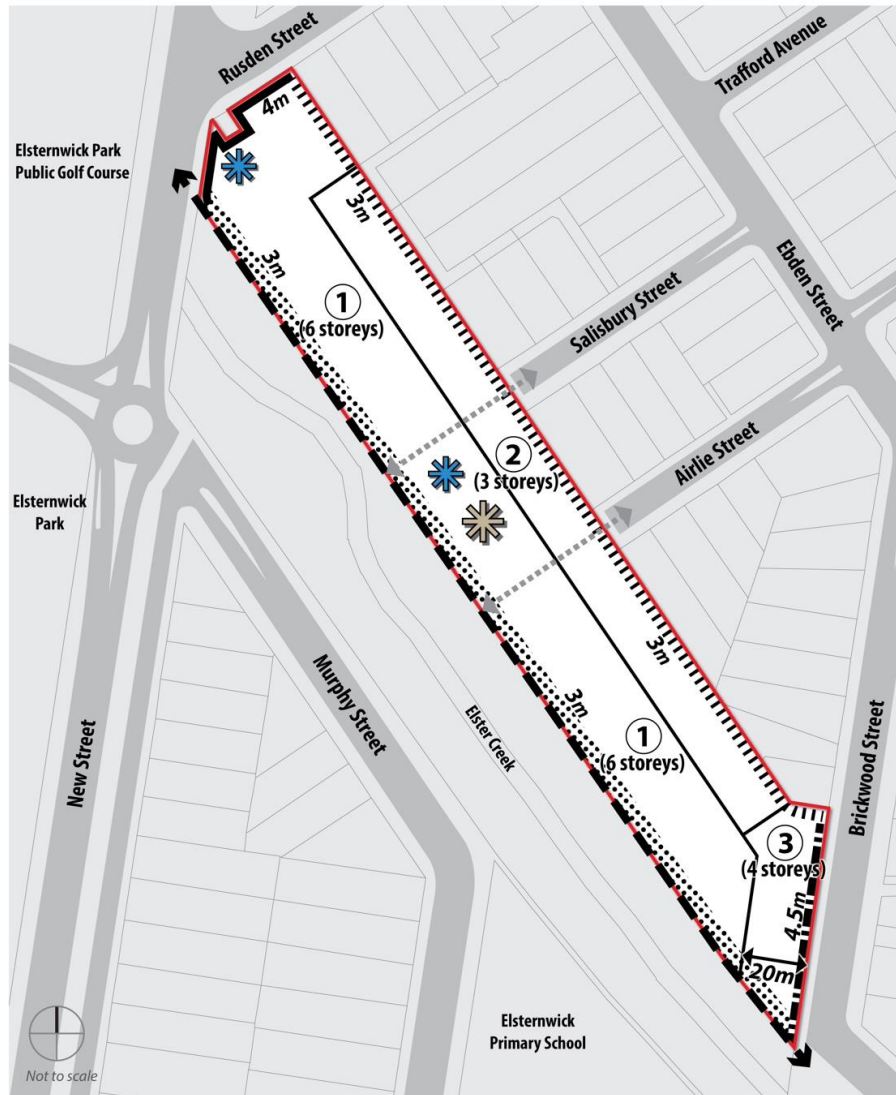
(with associated boundary setbacks)

- 0m Interface Treatment A
- 3m Interface Treatment B
- 3m Interface Treatment C
- 3m Interface Treatment D

Area	Maximum building height
1	8 storeys
2	9 storeys
3	9 storeys
4	7 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 6: North Melbourne, Appendix D, p 33.

## A8.7 New Street, Brighton



**LEGEND**

- Site
- Internal connections
- Pedestrian path
- 3 Area (with associated building height)
- Potential location of new open space area
- Potential small scale retail, commercial or community uses

**INTERFACE TREATMENTS (with associated boundary setbacks)**

- 4m Interface Treatment A
- 4.5m Interface Treatment B
- 3m Interface Treatment C
- 3m Interface Treatment D

Area	Maximum building height
1	6 storeys
2	3 storeys
3	4 storeys

Source: Social Housing Renewal Standing Advisory Committee Report 7: Brighton, Appendix D, p 48.

Appendix 9  
**Social Housing Renewal  
Standing Advisory Committee  
terms of reference**

## Terms of Reference

### Social Housing Renewal Standing Advisory Committee

Version: September 2017

**Standing Advisory Committee appointed pursuant to Part 7, Section 151 of the *Planning and Environment Act 1987* to report on the suitability of planning proposals to facilitate new social housing outcomes.**

#### Name

1. The Standing Advisory Committee is to be known as the 'Social Housing Renewal Standing Advisory Committee' (the Standing Advisory Committee).
2. The Standing Advisory Committee is to have members with the following skills:
  - a. Strategic and statutory land use planning;
  - b. Urban design;
  - c. Property economics and development feasibility; and
  - d. Transport planning.
3. The Standing Advisory Committee will include an appointed Chair and Deputy Chair.

#### Purpose

4. The purpose of the Standing Advisory Committee is to:
  - a. advise on the suitability of new planning proposals prepared by the Department of Health and Human Services (DHHS) to facilitate renewal and redevelopment of existing public housing estates to increase the supply of social housing ; and
  - b. provide a timely, transparent and consultative process to facilitate the renewal of Victoria's social housing stock.

#### Background

5. There is an increasing demand for social housing (public<sup>1</sup> and community<sup>2</sup> housing) in Victoria, particularly for individuals on low, supported incomes. Declining housing affordability is seeing a rise in homelessness, with a 19 per cent increase in demand for homelessness services since 2011.
6. Victoria has the lowest proportion of social housing dwellings per capita of all states in Australia and is lagging compared to other states with its provision of social housing.
7. The situation is exacerbated by more than 30 per cent of the public housing supply being over 30 years old and nearly 16 per cent of properties being obsolete in four years.
8. The current housing supply is predominantly made up of three bedroom dwellings and does not meet current demand for public housing, which is for one and two bedroom dwellings (72 per cent), driven by changes to household composition.

<sup>1</sup> Rental housing that is targeted to very-low and low income households on an affordable basis (no more than 25% of income on rent), owned and managed by the State Government housing authority, or managed by community housing providers on the government's behalf.

<sup>2</sup> Rental housing that is targeted to low to moderate income households that is managed and generally, but not always, owned by a non-government housing provider.

9. A good proportion of the current public housing stock is low to medium rise walk up flats that were built in the 1950's – 1970's. These sites, whilst typical of their era, do not maximise the development potential of the land, resulting in an underutilisation of public assets.
10. Much of the current supply is in very poor condition and does not provide for functional and safe housing. Only the tenants in the most severe housing stress will agree to move into many of the walk up properties, which are the least preferred and most deteriorated housing on offer, and this is compounding disadvantage.
11. Current walk up buildings are not suitable for people with disabilities or people who are ageing, who now comprise the majority of social housing demand.
12. Compared to dwellings less than 10 years old, the housing stock is more costly to maintain and is diverting limited funding away from investment in new social housing supply.
13. Despite the Director of Housing's large stock size and value, there is limited opportunity for revenue generation from public housing, which creates a shortfall between operating costs and revenue. This cost is increasing as maintenance costs grow.
14. In a constrained funding environment, the Director of Housing is seeking new approaches to deliver social housing by providing an opportunity to upgrade and renew existing stock and increase the overall number of social housing dwellings. DHHS has identified a number of their existing land assets that can be better utilised to delivered a renewal opportunity and provide important new public housing stock.

## Method

### General

15. The Minister for Planning (or delegate) may refer proposals to the Standing Advisory Committee. The proposals may be referred in groups.
16. A proposal may be in the form of changes to the planning scheme and/or a combined planning permit application.
17. In making a referral, the Minister for Planning or delegate must be satisfied that any future planning provisions for the land make proper use of the Victoria Planning Provisions and are prepared and presented in accordance with the Ministerial Direction on *The Form and Content of Planning Schemes*
18. A proposal may include land in addition to that owned by the Director of Housing where there is a direct link to the provision of social housing and where it enables a more comprehensive urban planning approach. The inclusion of such land must be agreed to by the Minister for Planning prior to notice.
19. The Standing Advisory Committee may meet and invite others to meet with it when there is a quorum of at least two members.
20. The Standing Advisory Committee may apply to vary these Terms of Reference or inform itself in any way it sees fit.

### Briefings

21. The Standing Advisory Committee may request a project briefing from DHHS prior to the commencement of a proposal, or group of proposals. This may occur prior to the formal notification process.

22. The Standing Advisory Committee may issue directions to DHHS at the completion of any briefing.

**Public exhibition of proposals**

23. The Standing Advisory Committee will pre-set the public hearing dates prior to the notice period commencing.

24. The Department of Environment, Land, Water and Planning (DELWP) will provide administrative support, including seeking written submissions on relevant proposals during a 20 business day notice period.

25. DELWP will provide direct notice (by letter) to:

- a. Relevant Council;
- b. Relevant Government agencies or servicing authorities; and
- c. Neighbouring properties.

26. DELWP will place a notice in a local newspaper (where available) in the first week of the notice period.

27. DHHS will provide notice to Director of Housing tenants that are affected by the proposal.

28. DELWP will provide information about relevant proposals on its website and details on how to make a submission.

29. All submissions are to be collected at the office of Planning Panels Victoria (PPV) in accordance with the 'Guide to Privacy at PPV'. Electronic copies of submissions will be provided for each relevant Council, DHHS and DELWP.

30. Petitions and pro-form letters will be treated as single submissions and only the first name to appear on the first page of the submission will receive correspondence in relation to Standing Advisory Committee matters.

**Public hearing**

31. The Standing Advisory Committee is expected to carry out a directions hearing and a public hearing.

32. The Standing Advisory Committee may conduct workshops or forums to explore design issues or other matters. Any workshops or forums will be a public process.

33. The following parties should be asked to present to the Standing Advisory Committee:

- a. DHHS
- b. Relevant Council(s)
- c. DELWP

34. The Standing Advisory Committee will provide any party that has made a written submission with the opportunity to be heard.

35. The Standing Advisory Committee may limit the time allocated to parties appearing before it.

36. The Standing Advisory Committee may prohibit or regulate cross-examination.

### Submissions are public documents

37. The Standing Advisory Committee must retain a library of any written submissions or other supporting documentation provided to it directly until a decision has been made on its report or five years has passed from the time of its appointment.
38. Any written submissions or other supporting documentation provided to the Standing Advisory Committee must be available for public inspection until the submission of its report, unless the Standing Advisory Committee specifically directs that the material is to remain 'in camera'.

### Matters to be considered

39. The Standing Advisory Committee must consider:
  - a. All relevant submissions.
  - b. The appropriateness of the proposal in light of key strategies including *Home for Victorians* and *Plan Melbourne 2017*.
  - c. The appropriateness of the proposal against the objectives of the *Planning and Environment Act 1987* and any other relevant provisions of the planning schemes.
  - d. Whether the Minister for Planning should act as Responsible Authority for the development site(s) and if this would expedite future planning approvals.
  - e. Whether the proposed changes to the planning scheme and/or planning permits should be approved, subject to any recommended changes.
  
40. It is not the role of the Standing Advisory Committee to review or consider:
  - a. the increasing demand for one and two bedroom social housing dwellings;
  - b. the suitability of joint venture partnerships as a delivery model;
  - c. leveraging under-utilised public land to deliver an increase in social housing;
  - d. the dwelling yields needed to achieve an increase of at least 10 per cent in social housing;
  - e. the appropriateness of community housing providers to administer the provision of social housing.

### Outcomes

41. The Standing Advisory Committee must produce a brief written report for each matter referred to it for the Minister for Planning providing:
  - a. Consideration of the matters as outlined in these Terms of Reference.
  - b. An assessment of any other relevant matters raised in the course of the hearing process.
  - c. An assessment of whether the proposed planning provisions make proper use of the Victoria Planning Provisions and are prepared and presented in accordance with the Ministerial Direction on *The Form and Content of Planning Schemes*
  - d. A (without prejudice) draft planning permit including relevant conditions from referral authorities (if applicable).
  - e. A list of persons who made submissions to the Standing Advisory Committee.

- f. A list of persons consulted or heard.
- 42. The Standing Advisory Committee may submit its reports in stages based on groups, or other groupings as practical.
- 43. After DHHS submits its final Development Plan or planning permit application, the Minister for Planning may refer the Development Plan or planning permit application to the Standing Advisory Committee for further review prior to his final assessment.

**Timing**

- 44. The Standing Advisory Committee is required to hold a directions hearing no later than 20 business days from close of the notice period.
- 45. The Standing Advisory Committee is required to submit its report in writing as soon as practicable but no later than 20 business days from the completion of its hearings.
- 46. If the Minister for Planning refers a Development Plan or planning permit application to the Standing Advisory Committee for further review, a brief report must be prepared within 10 business days from the receipt of the referral.

**Fee**

- 47. The fee for the Standing Advisory Committee will be set at the current rate for a Panel appointed under Part 8 of the *Planning and Environment Act 1987*.
- 48. The costs of the Standing Advisory Committee will be met by the DHHS.

  
Hon Richard Wynne MP  
Minister for Planning

Date: 6/9/17



## Appendix A: Project Management

*The following information does not form part the Terms of Reference.*

### Project Management

1. Administrative and operational support to the Standing Advisory Committee will be provided by Cassie Hannam, Senior Planner, Department of Environment, Land, Water and Planning, 03 8683 0943 and [cassie.hannam@delwp.vic.gov.au](mailto:cassie.hannam@delwp.vic.gov.au)
2. Day to day liaison for the Standing Advisory Committee will be through Andrea Harwood, Senior Project Manager, of Planning Panels Victoria on 03 8392 5123 and [planning.panels@delwp.vic.gov.au](mailto:planning.panels@delwp.vic.gov.au)

## Appendix B: List of planned projects in 2017

*The following information does not form part the Terms of Reference.*

### Initial Project

1. Flemington Estate

### Group A

2. Gronn Place, Brunswick West
3. BellBardia and Tarakan Estates, Heidelberg West
4. Walker Street, Northcote

### Group B

5. Ascot Vale Estate
6. Abbotsford Street, North Melbourne

### Group C

7. Noone Street, Clifton Hill
8. New Street, Brighton
9. Bills Street, Hawthorn

Appendix 10  
**Housing eligibility letter and  
form**


**Department of Health and Human Services**  
 Broadmeadows Housing Office  
 100 Broadmeadows VIC 3047  
 Email: broadmeadows.housing@dhs.vic.gov.au  
 www.dhs.vic.gov.au  
 Telephone: (03) 9309 1255

26 November 2017  
 Ref No: [redacted]

Dear [redacted]

The Department of Health and Human Services is checking your application on the Victorian Housing Register to confirm that you still want social housing, and if so that you are still eligible and your information is up to date.

Please complete the attached form and provide all the requested documents by 24 December 2017 to the Housing Advice and Assistance Team at the Broadmeadows Housing Office on (03) 9309 1255.

When your information has been checked, a letter will be sent advising if you are still eligible to remain on the register.

If the form and the documents are not received by the due date, the department will assume that you no longer need housing and your application will be removed from the register.

If you are not sure how to fill in the form or have other questions, please call the Housing Advice and Assistance Team at the office mentioned above.

If you no longer want to be on the register, please contact your local office. You can cancel your application over the phone. If you change your mind within two years, and you are still eligible for social housing, you can have your application put back on the register.

Please quote reference number [redacted] when making enquiries.

Yours sincerely

[redacted signature]

Stuart Lindner  
 Director, Service Implementation and Support

TMP-CL-170

**Victorian housing register**

**PARTNERSHIP BETWEEN THE VICTORIAN GOVERNMENT AND COMMUNITY HOUSING ORGANISATIONS**

**LanguageLink**

**English**

This letter relates to an application for housing on the Victorian Housing Register, a public housing tenancy or a bond loan application. If you need help understanding this letter, contact your local Department of Health and Human Services office, or call Language Link on (03) 9280 0799 for an interpreter.

**Arabic**

تتعلق هذه الرسالة بتطبيق السكن المأجور أو إيجار السكن العام أو طلب الحصول على قرض أو ائتمان أو ائتمانية. إذا كنت بحاجة إلى مساعدة في فهم هذه الرسالة، فيرجى الاتصال بمكتبنا في مكتبنا المحلي بوزارة الصحة والخدمات الإنسانية، أو الاتصال بلانغويغ لينك على الرقم (03) 9280 0799.

**Simplified Chinese**

本信与有关维多利亚州公共房屋申请的房屋申请、公共租赁或押金贷款申请有关。如果您在理解信件内容方面需要帮助，请联系您在地区的民政署 (Department of Health and Human Services) 办事处，或拨打 (03) 9280 0799 致电 Language Link，要求口译员协助。

**Traditional Chinese**

此信與維多利亞州公共房屋申請、公共租賃或押金貸款申請等事項有關。如果您需要幫助理解此信，請聯絡當地的衛生及人類服務部 (Department of Health and Human Services) 辦事處，或撥電話 (03) 9280 0799 獲得傳真協助。

**Croatian**

Ovo pismo se odnosi na jedno od sljedećeg: na usuganje molbe za primanje stambenog smještaja kroz Viktorijski stambeni registar, na vaš društveni stambeni najam, ili na molbu za dobivanje kredita za polog. Ako ne razumijete dobro što u njemu piše, kontaktirajte vaš mjesni ured Ministarstva za zdravstvo i društvene usluge ili nazovite Language Link na broj (03) 9280 0799 da biste porazgovarali uz pomoć tumača.

**Polish**

Ten list odnosi się do wniosku o mieszkanie znajdujące się w Wiktorijskim Rejestrze Mieszaniowym, wynajem mieszkania publicznego lub do wniosku o pożyczkę na kaucję. Jeśli potrzebujesz pomocy w zrozumieniu tego listu, skontaktuj się ze swoim lokalnym biurem Departamentu Zdrowia i Usług Społecznych lub zadzwoń do Language Link pod numer (03) 9280 0799 i poproś o tłumacza.

**Russian**

Это письмо связано с заявлением о предоставлении жилища через жилищный регистр штата Виктория (Victorian Housing Register), с арендой государственного жилья или с заявлением о предоставлении ссуды для внесения залога. Если вам нужна помощь для того, чтобы понять содержание этого письма, обратитесь в местное отделение Департамента здравоохранения и услуг для населения (Department of Health and Human Services) или, если вам нужен переводчик, позвоните на Language Link по номеру (03) 9280 0799.

**Somali**

Warqadaani waxay la xiriirtaa codsashada gur-siinta khuseysa Diwaan-hayaha Gur-siinta/Victoria, kireysiga gurayaha dadweynaha ama codsiga daynita dhigaalka (bond). Haddii aad uga baahan tahay caawimaad fahamka warqaddan, la-xiriir xafiiska Adeegyada Dadweynaha/Department of Health and Human Services, ama ka wac Language Link laleefanka (03) 9280 0799 wakiil furjumaan ah.

**Spanish**

Esta carta se refiere a una solicitud de vivienda en el Victorian Housing Register, un contrato de arrendamiento de vivienda pública o una solicitud de préstamo de fianzas. Si necesita ayuda para entender esta carta, póngase en contacto con la oficina local del Departamento de salud y Servicios Humanos o llame a Language Link al (03) 9280 0799 para un intérprete.

**Turkish**

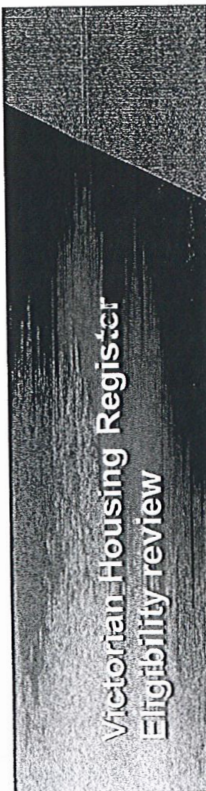
Bu mektup, Victoria Konut Sicilindeki bir konut, kamu konutlari kiraciligi, veya teminat borcu bayvurusu ile ilgilidir. Bu mektubu anlamak için yardima ihtiyaciniz varsa, yerel Saglik ve Insaan Hizmetleri Bakanligi olaniz ile iliskiyeye gecin veya bir tercuman için (03) 9280 0799 dan Dil Baglantisi'ni arayin.

**Vietnamese**

Bức thư này liên quan đến một đơn xin nhà ở trong Sổ Đăng Ký Nhà ở Victoria, thuê nhà chính phủ hay đơn xin mua căn nhà thuê. Nếu quý vị không hiểu bức thư này và cần được giúp đỡ, xin liên lạc với Văn phòng Bộ Y tế và Dịch vụ Nhân sinh và địa phương hay gọi cho Language Link qua số (03) 9280 0799 để xin thông dịch viên giúp đỡ.

For other languages, an interpreter is available through your local office.

If you would like to receive this publication in an accessible format, contact your local office, using the National Relay Service 13 36 77 if required



**Victorian Housing Register Eligibility review**

This questionnaire is used to confirm your current social housing application details and check your eligibility to remain on the Victorian Housing Register.

**What to do:**

- Fill in this questionnaire in CAPITAL letters,
- Attach all the documents we ask for,
- Sign the authority for Centrelink (if using Income Confirmation)
- Sign the primary applicant declaration
- Return this questionnaire to your local Department of Health and Human Services office, or any community housing agency office.

**Please tell us what you want to do with your application for housing**

**I still want housing**

If you want to keep your application on the register, complete all sections of this questionnaire and return it - and all documentation - to your local Department of Health and Human Services office.

Otherwise - if you are not adding anyone new to your application - you can call the Broadmeadows Housing Office on (03) 9309 1255 and we can review your eligibility over the phone, and tell you if we need any documents from you.

**Remove my application from the register**

If you don't need social housing any longer, sign the declaration below and return this page to your local Department of Health and Human Services office, or any community housing agency office.

You do not need to complete the rest of the questionnaire. Once we have received the declaration, we will remove your application from the Victorian Housing Register. A letter will be sent to you confirming this. Alternatively, you can call the Broadmeadows Housing Office on (03) 9309 1255 to remove your application.

Declaration by Primary applicant for REMOVAL of your housing application  
 I confirm that I would like my public housing application REMOVED from the Victorian Housing Register.

DO / MM / YYYY  
 Date

Signature

Primary applicant's full name

OFFICE USE ONLY	
Date received	Name
Date registered	Service ID
Approved category	Effective date

TMH-C-191

161696\_pjshenqfj00055000216

**About you and your contact details**

Your Name	[REDACTED]
Your Postal Address	[REDACTED]
Your Residential Address	[REDACTED]
Your contact phone numbers	Daytime: After hours: Mobile:
Your email address	<input type="checkbox"/> Post <input type="checkbox"/> Email (select one option only)
How would you like to receive written information from us about your application?	

**Types of social housing you would like to be offered**

Tell us which types of social housing you would like to be offered.

If you choose both, you will be more likely to get housing. Both are long term housing.

Public housing is managed by the state government. It is for people on low incomes that are most in need, especially those who have recently experienced homelessness, or have other special needs.

Community housing is managed by not-for-profit organisations. Some specialise in helping specific groups, like people with a disability, women, singles and older people.

If you choose community housing above, you can also choose to be considered for the following types of community housing if you think they are appropriate for you:

Aboriginal Housing Victoria provides housing for people who identify as Aboriginal or Torres Strait Islander.

Rental cooperatives are independent entities managed by tenant members.

Community-managed rooming houses (sometimes referred to also as boarding houses) generally provide rental housing for ~~single people~~ ~~(sometimes through disadvantage)~~ may find it difficult to access other private rental housing.

Victorian Housing Register eligibility review

**Additional household member(s)**

Tell us about the other adults and/or children who will live with you.

For new household members you have not already told us about, please provide:

*Proof of identity* documents if they are over 15 years old and are paid an independent income by Centrelink.

*Proof of Australian residency* if they were born overseas.

If they are children, *Confirmation of children's names and custody arrangements*, if applicable.

For all household members that receive their own independent income, please provide **Proof of Income and Proof of assets** (for example, a current Centrelink statement or bank statement).

However, if household members consent to Centrelink income Confirmation, they must sign the **Authority for Centrelink** to release customer information to the Director of Housing on page 8 and are not required to supply any income or asset documents.

Documents we may need (for new people you add to the application)

**Proof of Identity**

If they are a Centrelink customer, over 15 years of age and with an independent income, then you do not need to provide proof of identity documents.

If they are over 15 years of age and have an income that is not from Centrelink then you must provide proof of identity documents.

Please refer to the *Proof of Identity* factsheet on our website ([www.housing.vic.gov.au](http://www.housing.vic.gov.au)) or by contacting one of our officers.

**Proof of Australian residency**

For each person who was not born in Australia, please include one of the following:

Australian citizenship certificate

Immigration visa

Passport or a letter from the Department of Immigration and Border Protection.

**Confirmation of children's names and custody arrangements**

If there are dependants in the household, you will need to give us one of the following documents to confirm the names of the children:

Medicare card or Health care card.

If you are requesting additional rooms for child access arrangements, documentation from a solicitor, the Family Law Court, or a statutory declaration from the primary caregiver to confirm the custody arrangements.

**Household Member 1**

Title (Mr, Mrs, Ms, Miss, etc.) \_\_\_\_\_ Full name \_\_\_\_\_

Date of birth / / \_\_\_\_\_ Gender  Male  Female  Indeterminate  Intersex  Other \_\_\_\_\_

What is their relationship status?  
 Single  Partnered to me  Partnered to another household member, Name: \_\_\_\_\_

CRN or DVA number \_\_\_\_\_

Are they Aboriginal or Torres Strait Islander?  No  Aboriginal  Torres Strait Islander

Are they an Australian citizen who was born in Australia?  No  Yes

If no, in what country were they born? \_\_\_\_\_

When did they start living in Australia? / / \_\_\_\_\_

Are they affected by Centrelink's two-year newly-arrived residents waiting period?  No  Yes

What is their Australian residency status?  
 Australian citizen  Sponsored migrant  
 Permanent resident  Permanent Protection Visa, Subclass \_\_\_\_\_  
 New Zealand resident  Resolution of Status Visa, Subclass \_\_\_\_\_

**Household Member 2**

Title (Mr, Mrs, Ms, Miss, etc.) \_\_\_\_\_ Full name \_\_\_\_\_

Date of birth / / \_\_\_\_\_ Gender  Male  Female  Indeterminate  Intersex  Other \_\_\_\_\_

What is their relationship status?  
 Single  Partnered to me  Partnered to another household member, Name: \_\_\_\_\_

CRN or DVA number \_\_\_\_\_

Are they Aboriginal or Torres Strait Islander?  No  Aboriginal  Torres Strait Islander

Are they an Australian citizen who was born in Australia?  No  Yes

If no, in what country were they born? \_\_\_\_\_

When did they start living in Australia? / / \_\_\_\_\_

Are they affected by Centrelink's two-year newly-arrived residents waiting period?  No  Yes

What is their Australian residency status?  
 Australian citizen  Sponsored migrant  
 Permanent resident  Permanent Protection Visa, Subclass \_\_\_\_\_  
 New Zealand resident  Resolution of Status Visa, Subclass \_\_\_\_\_

**Household Member 5**

Title (Mr, Mrs, Ms, Miss, etc.) \_\_\_\_\_ Full name \_\_\_\_\_

Date of birth / / Gender  Male  Female  Indeterminate  Intersex  Other \_\_\_\_\_

What is their relationship status?  
 Single  Partnered to me  Partnered to another household member, Name: \_\_\_\_\_

CRN or DVA number \_\_\_\_\_

Are they Aboriginal or Torres Strait Islander?  No  Aboriginal  Torres Strait Islander

Are they an Australian citizen who was born in Australia?  No  Yes

If no, in what country were they born? \_\_\_\_\_

When did they start living in Australia? / /

Are they affected by Centrelink's two-year newly-arrived residents waiting period?  No  Yes

What is their Australian residency status?  
 Australian citizen  Sponsored migrant  
 Permanent resident  Permanent Protection Visa, Subclass \_\_\_\_\_  
 New Zealand resident  Resolution of Status Visa, Subclass \_\_\_\_\_

**Household Member 3**

Title (Mr, Mrs, Ms, Miss, etc.) \_\_\_\_\_ Full name \_\_\_\_\_

Date of birth / / Gender  Male  Female  Indeterminate  Intersex  Other \_\_\_\_\_

What is their relationship status?  
 Single  Partnered to me  Partnered to another household member, Name: \_\_\_\_\_

CRN or DVA number \_\_\_\_\_

Are they Aboriginal or Torres Strait Islander?  No  Aboriginal  Torres Strait Islander

Are they an Australian citizen who was born in Australia?  No  Yes

If no, in what country were they born? \_\_\_\_\_

When did they start living in Australia? / /

Are they affected by Centrelink's two-year newly-arrived residents waiting period?  No  Yes

What is their Australian residency status?  
 Australian citizen  Sponsored migrant  
 Permanent resident  Permanent Protection Visa, Subclass \_\_\_\_\_  
 New Zealand resident  Resolution of Status Visa, Subclass \_\_\_\_\_

**Your current housing circumstances**

Where are you living at the moment? (Please tick all boxes that apply)

Caravan park  Transitional Housing Management (THM)  
 Crisis accommodation  Community Care Unit  
 Hotel  Family & friends  
 Owner-occupier  Community managed housing  
 Public housing  Private rental  
 Student accommodation  Rooming or boarding house  
 Temporary accommodation  Vehicle  
 Prison (please provide release date)  Other (please give details)

Type of dwelling (Please tick one box only)

Bedroom  Transportable home  
 House  Studio or bedroom that is not part of the main house  
 Flat/unit  No dwelling or Other (please provide details): \_\_\_\_\_  
 Moveable unit / Self-contained bungalow \_\_\_\_\_

Date you started living there \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

How many weeks can you live there?  
 1-2 weeks  3-5 weeks  6-12 weeks  More than 1 year  
 Until other accommodation becomes available  Unsure

**Household Member 4**

Title (Mr, Mrs, Ms, Miss, etc.) \_\_\_\_\_ Full name \_\_\_\_\_

Date of birth / / Gender  Male  Female  Indeterminate  Intersex  Other \_\_\_\_\_

What is their relationship status?  
 Single  Partnered to me  Partnered to another household member, Name: \_\_\_\_\_

CRN or DVA number \_\_\_\_\_

Are they Aboriginal or Torres Strait Islander?  No  Aboriginal  Torres Strait Islander

Are they an Australian citizen who was born in Australia?  No  Yes

If no, in what country were they born? \_\_\_\_\_

When did they start living in Australia? / /

Are they affected by Centrelink's two-year newly-arrived residents waiting period?  No  Yes

What is their Australian residency status?  
 Australian citizen  Sponsored migrant  
 Permanent resident  Permanent Protection Visa, Subclass \_\_\_\_\_  
 New Zealand resident  Resolution of Status Visa, Subclass \_\_\_\_\_

Do you want another person, or an organisation to be able to make enquiries about your application on your behalf? (You can change your mind about this at any time).  
 If you get help from a support service, health professional or other individual, you can give us their details here if you want them to be able to speak to us about your application.

- No
- Yes (Please complete the person and/or organisation details)

Person's name	
Organisation name	
Address	
Suburb/Town	Postcode
Telephone	Landline:
Email address	

If they provide you with help or support, what type of help or support is it?

Do you consent to us contacting the person and/or organisation above about your application?

- No
- Yes

When we write to you, do you want a copy of the letter sent to your support person?

(Please speak to them about this first, so that they can expect to receive copies of letters we send you).

- No
- Yes

**Where you want to live**

Tell us where you want to live

Social housing is grouped into areas across Victoria. You cannot choose a specific suburb to live in, but you can choose up to five areas.

In cities and larger towns – such as Ballarat, Bendigo, Geelong and Melbourne – there will be a number of connecting suburbs or towns linked by public transport in each area.

Smaller towns in country areas will generally form their own area that only includes that town.

Unless we have recognised that you need accommodation in a specific location within an area, your selections are all treated equally and you could be offered housing in any one of the areas you choose.

The full list of areas is available in the *Victorian Housing Register guide*, or you may contact any housing provider's office to discuss areas you want to live.

Choose up to five areas from the areas below.

1	
2	
3	
4	
5	

Victorian Housing Register eligibility review

**Centrelink Confirmation eServices**

CCeS is an online service that allows the Department of Health and Human Services (the department) to obtain information directly from Centrelink, to confirm your eligibility for housing services.

CCeS has strict privacy and security standards, and the department must have your consent before it can obtain information about you from Centrelink.

You can provide consent by signing the *Consent to use Centrelink Confirmation eServices* below, and ticking the *Income confirmation* and/or *Contact and address verification* check boxes.

More information about CCeS is available from Centrelink and from Centrelink's website: [www.humanservices.gov.au](http://www.humanservices.gov.au).

Consent to use Centrelink Confirmation eServices  
 I/we authorise the Australian Government Department of Human Services (Centrelink) to provide the Victorian Department of Health and Human Services (the department) with the results of the enquiries I/we have indicated below in order to enable the department to determine if I/we qualify for social housing services.

I/we understand that the information provided by Centrelink to the department may contain the following:

- **Income confirmation.** Personal information such as (but not limited to) current or historical details of Centrelink payments received, dependants, marital/partnered status, Centrelink deductions, income from sources other than Centrelink and assets.
- **Contact and address verification.** My/our current address and contact details, and also my/our address history (up to two years), which the department may use to support an application for priority housing.

I/we authorise the department to use Centrelink Confirmation eServices to perform a Centrelink enquiry of my/our Centrelink income, asset and payment details.

I/we understand this consent, once signed, remains valid while I and I/we are a customer of the department, unless I/we revoke it by contacting the department or Centrelink.

I/we understand that if I/we withdraw my/our consent or do not alternatively provide proof of my/our circumstances/details, I/we may not be eligible for the service provided by the department.

Applicant 1	Applicant 2	Applicant 3	Applicant 4
Full name	Full name	Full name	Full name
Date of birth / /	Date of birth / /	Date of birth / /	Date of birth / /
Address	Address	Address	Address
Centrelink Reference Number CRN	Centrelink Reference Number CRN	Centrelink Reference Number CRN	Centrelink Reference Number CRN
<input type="checkbox"/> Income confirmation <input type="checkbox"/> Contact & address verification	<input type="checkbox"/> Income confirmation <input type="checkbox"/> Contact & address verification	<input type="checkbox"/> Income confirmation <input type="checkbox"/> Contact & address verification	<input type="checkbox"/> Income confirmation <input type="checkbox"/> Contact & address verification
Signature	Signature	Signature	Signature
Date / /	Date / /	Date / /	Date / /

Victorian Housing Register eligibility review



**Primary Applicant Declaration**

It is the responsibility of the Primary applicant to contact the local office if there are any changes to their Victorian Housing Register application. All correspondence about the application, including offers of accommodation, will be sent to the Primary applicant only.

1. (full name)

of (address)

(occupation)

I declare that:

1. I have understood the instructions given above.
2. All information requested has been provided and is true and correct.

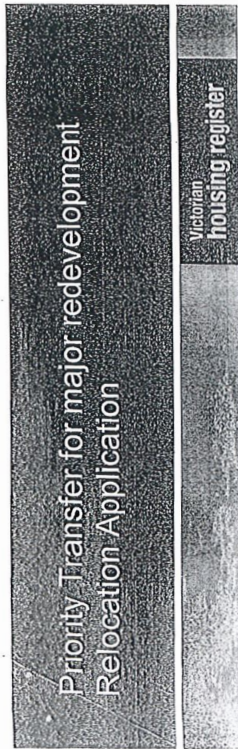
Your signature: \_\_\_\_\_ Date: \_\_\_\_\_



# Appendix 11

## **Initial relocation agreement**

A11



The Victorian Government is committed to better meeting the housing needs of Victorians. That's why we are planning to redevelop ageing public housing estates into vibrant, better connected neighbourhoods where people can live in housing that is safe and secure, and meets modern standards.

We will need to move tenants on these estates as part of the redevelopment process. We will work closely with residents during all stages of the process to ensure they have time to consider their housing options.

This priority transfer relocation application is for tenants who will need to move out of their existing housing due to the redevelopment of the site.

Our local housing team will work closely with you to provide support and respond to your questions about the relocation.

Section A – About you and your household

Your tenancy details

Tenant name(s)	[Redacted]
Tenancy address	[Redacted]
Phone number(s)	[Redacted]
Service ID	[Redacted]

Current App - [Redacted]

OFFICE USE ONLY	Date received	/ /	Received by	Date registered	/ /
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TMF\_TM\_20100

FOR INFORMATION BETWEEN THE VICTORIAN GOVERNMENT AND PARTICIPATING HOUSING ORGANISATIONS

According to our records the following people live at your property. Please confirm if this information is correct for each household member by ticking the box. If this information is incorrect please tick NO and place the new information in Table B

TABLE A – Information about the current household

Household member details			
Full name	Date of birth	Gender	Relationship to tenant
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

Do you own or part-own any real estate?

Yes  No

If you own real estate, we will need a letter from an approved valuer or solicitor stating your property's market value and your equity in it. If you part-own the property, we need information that details your share. If the property is held in trust, we need a letter from the executor of the estate.

Please list any additional people who are living with you or correct information about a current household member listed in Table A.

If you are paying market rent, please list details of your income and assets in Table B. (This will allow your rent to be correctly assessed)

Please provide the gross (before tax) incomes of each additional person that you list. Every source of income must be listed, including pensions, family allowance payments, child maintenance, compensation, savings, investments, assets, real estate and property.

TABLE B – Updated Information / Additional Household Members / Market Renters

Household member details				Gross Weekly Income		Savings / Investments	
Full name	Date of birth	Gender	Relationship to tenant	Income type	Weekly amount (before tax)	Asset type	Amount
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	\$	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	\$	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	\$	[Redacted]	[Redacted]

We need documents confirming each type of income received and asset held by each additional household member. If they are in receipt of Centrelink please contact the local office for a Centrelink Confirmation eServices form.

**Section B – Tell us where you want to live**

The full list of preferred areas is available in the *Victorian Housing Register Areas* document which can be found on the website [housing.vic.gov.au](http://housing.vic.gov.au). Or you may contact your local office to discuss where you would like to live.

You can choose up to five preferred areas where you would like to be relocated to:  
*The local housing team will look in all of these areas for a property that would suit your needs.*

First	
Second	
Third	
Fourth	
Fifth	

**Section C – Special Accommodation Requirements**

If you or anyone who will live with you may need:

- Housing in a particular area so you can access specialist treatment, care or education.
- A particular type of housing due to limited mobility or a medical or mental health condition (for example, without stairs, or low density).
- Disability modifications to be installed in the property (for example, grab rails, lever taps).

If you tick any of the boxes above, you may need to complete an *Application for special accommodation requirements*. You can get this form from our office.

It is the intention of the Director of Housing as landlord, to take possession of the whole of the property at [redacted] in order that the property can be redeveloped.

The Department will work with you to better understand your housing needs. Once we have agreed on the type of home and location that is appropriate, we will provide you with a number of different options to choose from. This may be returning to the estate upon completion of the redevelopment, to other public housing or establishing alternative accommodation options where possible.

Your public housing status will be maintained for the period of the redevelopment, even if you move temporarily to accommodation that is not managed by the Department.

If you require support to move out of the current property, the department will work with existing support providers to seek available arrangements in the new area.

We will consider your need to be located near family or supports or closer to public transport and facilities where possible.

Where you prefer to relocate to other suitable accommodation on a permanent basis, you will not be provided with the opportunity to 'move back'.

**Move Out**

I acknowledge that the Department will pay, or reimburse me for certain costs associated with the relocation. These include:

- Removal costs, if incurred in accordance with the departmental relocation policy
- Reconnection fees for gas, electricity, telephone and internet (where a telephone and internet was previously connected)
- Mail redirection for up to six months.

I also acknowledge that if I am temporarily relocated, the property rent will match the rental payable for the property I am being relocated from until I move back. If the property that I am permanently relocated to is not public housing, the property rent will match the rental payable for the property I am being relocated from for a period of six months.

**Move Back**

I acknowledge that:

- I will be given the option to return to the redeveloped estate if there is an available dwelling that meets my needs in accordance with the 'Matching Clients with Housing Size Guidelines'
- I will be notified by the Department in writing that the redevelopment is expected to be completed within three months
- I will have 28 days from receiving the notice referred to in the previous dot point in which to advise the Department in writing whether I wish to move back to a redeveloped property
- If I do not advise the Department within the time referred to in the previous dot point, it will be deemed that I do not wish to move back

I understand that if the redeveloped site is not public housing, the Department will negotiate with community housing organisation to allow eligible tenants to move back.

I declare that all the information requested in this application for relocation has been provided, and is true and correct.

I understand that as the tenant I have sole responsibility within my household to respond to the Department on all matters about this form, including offers of accommodation.

I acknowledge that I must advise the Department if my circumstances change, and update the department with any details that are relevant to my relocation form.

*If you willfully give information that is untrue in any particular in this application, you may be liable to penalties under section 40 of the Housing Act 1983 (VIC).*

	/ /	/ /
	/ /	/ /

Print full name of tenant applicant/s      Signature of tenant/s      Date



Appendix 12  
**Letter to tenants accompanying  
Deed Poll**

A12



## Department of Health and Human Services

50 Lonsdale Street  
Melbourne Victoria 3000  
Telephone: 1300 650 172  
GPO Box 4057  
Melbourne Victoria 3001  
www.dhhs.vic.gov.au  
DX 210081  
<reference no>

<Name>  
<Title>  
<Company or organisation>  
<Address 1>  
<Address 2>  
<SUBURB STATE POSTCODE>

Dear <Name>

The Public Housing Renewal Program is part of the Andrews Labor Government's wider \$3.1 billion Homes for Victorians strategy, designed to address the whole spectrum of Victoria's housing crisis. Our Government is providing record investment of over \$1 billion in housing and homelessness support and \$2.1 billion in financial backing to kick start new forms of social housing investment.

When moving, the important points for you to note are:

- The local Department of Health and Human Services staff will work closely with you to understand your requirements in a temporary or permanent new home and the services you require; and pay for your relocation costs including the connection of telephone, electricity etc.
- You will choose where you move to. We will ask you to identify preferred locations and we will provide you with two options that suit your housing needs and the Department of Health and Human Services will provide you with lots of notice before it's time to move.
- You will be provided with a legally binding Deed guaranteeing your right to return to the estate on completion of the redevelopment; security of tenure and that your rent will be set by the Director of Housing.

For residents who have already moved, the attached legally binding Deed guarantees:

- a right to return to a property upon completion of the redevelopment;
- If you choose to return to a property in the redeveloped estate, your tenancy will continue; and,
- If you choose to return to a property in the redeveloped estate, your rent will be calculated in accordance with the rent calculation policies of the Director of Housing current at that time.

The Deed automatically applies to your tenancy; you do not need to sign or do anything.

Should you require further information regarding the Deed or the relocation process please **contact** .





Yours sincerely

**Nick Foa**  
Deputy Secretary  
Housing, Infrastructure, Sport and Recreation  
/ / 2018

## Public Housing Language Link

### Arabic

تتعلق هذه الرسالة بمسائل الإسكان العام مثل الإيجار أو عقود الإيجار أو الإسكان العام أو طلبات العربون. إن كنت تحتاج إلى أي مساعدة بشأن هذه الرسالة، فالرجاء الاتصال بالمكتب المحلي الذي تتبعه لطلب المساعدة. ويمكنك أيضاً الاتصال بـ "وصلة اللغة التابعة للإسكان العام" على الرقم 9280 0790، حيث يتم توصيلك بالمكتب المحلي الذي تتبعه، مع وجود مترجم.

### Cantonese

這封信函是關於公共房屋事宜，如租金、租賃、公共住房或押金的申請。如需幫助理解本信函，請向就近的本區辦事處求助。您也可撥打‘公房語言連接專線’（Public Housing Language Link），電話號碼：9280 0791（廣東話），通過傳譯員與就近的本區辦事處溝通。

### Mandarin

这封信与房租、租期、公房或押金申请等公房事宜有关。如果您需要帮助才能读懂这封信，请向您当地的办公室求助。您也可以拨打“公房语言连接服务”（Public Housing Language Link）的电话号码9280 0789（普通话），通过普通话口译员与您当地的办公室沟通。

### Croatian

Ovo pismo se odnosi na pitanja državnog stambenog smještaja kao što su stanarina, stanarsko pravo, državni stambeni smještaj ili molba za jamstvo. Ukoliko vam je potrebna pomoć u vezi ovog pisma, molimo vas kontaktirajte vaš Stambeni ured. Također možete nazvati i Jezičnu liniju državnog stanovanja / Public Housing Language Link na broj: 9280 0792 kako biste, s tumačem na vezi, bili spojeni s vašim Stambenim uredom

### Polish

Ten list dotyczy spraw mieszkaniowych, takich, jak czynsz, wynajmy, mieszkalnictwo państwowe i wnioski o kaucję. Jeżeli potrzebujesz pomocy w zrozumieniu tego listu, prosimy skontaktować się ze swoim lokalnym biurem o pomoc. Możesz również zadzwonić do Służby Językowej Mieszkalnictwa Państwowego (Public Housing Language Link) pod numer 9280 0793 i poprosić o połączenie przez tłumacza ze swoim lokalnym biurem.

### Russian

Это письмо касается вопросов, связанных с государственным жильем, включая такие вопросы как квартплата, аренда жилья, заявления на предоставление государственного жилья или ссуды для внесения залога. Если вам нужны разъяснения в связи с этим письмом, то обратитесь за помощью в свой местный жилищный отдел. Вы также можете позвонить на Языковую линию Жилищного управления по номеру 9280 0794 и поговорить с работниками вашего местного жилищного отдела через переводчика.

### Somali

Warqaddan waxay ku saabsan tahay arimaha gurisiinta dadweynaha sida kirada, kireysiga codsiyada gurisiinta dadweynaha ama kuwa dhigaalka. Haddii aad caawimaad uga bahaato warqaddan, fadlan kala xirii xafiiska degaanka (local office) wixii caawimaad ah. Waxaad kaloo wici kartaa xiriirka Luqadaha ee Guryaha Dadweynaha oo ah 9280 0795 waxaana lagu xirayaa xafiiskaaga degaanka adoo uu ku caawinayo turjumaan.

### Spanish

Esta carta se refiere a asuntos de vivienda pública, como por ejemplo alquiler, contratos de arrendamiento, vivienda pública o solicitudes para préstamos. Si usted necesita ayuda para comprender esta carta, contacte la Oficina de la Vivienda (local office) más cercana para que le ayuden. También puede llamar al Enlace de Idiomas de las Viviendas Públicas (Public Housing Language Link) al 9280 0796 para que le conecten con su Oficina de la Vivienda por medio de un intérprete.

### Turkish

Bu mektup kira, kiracılıklar, kamu konutları veya depozit başvuruları gibi kamu konutları konularıyla ilgilidir. Bu mektupla ilgili olarak yardıma ihtiyacınız varsa, lütfen yerel ofisinizle iletişime geçin. Ayrıca, 9280 0797'den Kamu Konutları Dil Bağlantısı'nı arayabilir ve yerel ofisinize bir tercümanla bağlanabilirsiniz

### Vietnamese

Lá thư này nói về những vấn đề khi thuê nhà chính phủ, như: tiền thuê nhà, hợp đồng thuê nhà, nộp đơn xin thuê nhà ở chính phủ hay vay tiền đặt cọc. Nếu muốn có người giúp đọc thư này, xin quý vị liên lạc với Văn phòng địa phương để nhờ họ giúp đỡ. Quý vị cũng có thể gọi cho Đường Dây Trợ Giúp Ngôn Ngữ Gia Cư Chính Phủ theo số 9280 0798 và được nối mạch với Văn phòng địa phương cùng thông ngôn.

**For other languages, an interpreter is available through your local housing office.**

Appendix 13  
**Deed Poll – Public Housing  
Renewal Program**

**DEED POLL**

**PUBLIC HOUSING RENEWAL PROGRAM**

**RIGHT TO RETURN TO** [insert name of housing estate]

**BACKGROUND**

- A. The Director of Housing through the Department of Health and Human Services (department) is undertaking a redevelopment of a number of the Director of Housing’s housing estates.
- B. In order to undertake the redevelopment, it is necessary to relocate tenants residing at the estates to other accommodation.
- C. The Director of Housing is committed to allowing tenants who relocate from these housing estates to return to the redeveloped estate if the tenant so desires.
- D. The Director of Housing is committed to ensuring that the position and rights of all returning tenants are not detrimentally affected, altered or varied by the Public Housing Renewal Program.

To: [insert name and address of tenant]

Director of Housing hereby agrees with you that:

- 1. You will have the right to return to a property that meets your household accommodation needs in the redeveloped estate upon completion of the redevelopment;
- 2. If you elect to return to a property in the redeveloped estate, your tenancy will continue to be governed by all generally applicable public housing policy or practice manuals published by the Director of Housing and current at that time, and your landlord will be a public authority for the purposes of the Charter of Human Rights and Responsibilities Act 2006 (Vic);
- 3. If you return to a property in the redeveloped estate, your rent will be calculated in accordance with the generally applicable rent calculation policies of the Director of Housing current at that time.
- 4. This Deed Poll is legally binding upon the Director of Housing and is legally enforceable by you against the Director of Housing.

EXECUTED as a Deed

**Signed for and on behalf of the Director of Housing** by an officer of the Department of Health and Human Services to whom the Director of Housing has delegated the appropriate power:

.....  
Signature

.....  
Name

.....  
Position

Date     /     /

A13

# Extract of proceedings

Legislative Council Standing Order 23.27(5) requires the Committee to include in its report all divisions on a question relating to the adoption of the draft report. All Members have a deliberative vote. In the event of an equality of votes, the Chair also has a casting vote.

The Committee divided on the following question during consideration of this report. Questions agreed to without division are not recorded in these extracts.

## Committee meeting - 24 May 2018

### Chapter 5

Mr Mulino moved, That Chapter 5 stand part of the Report.

#### **The Committee divided.**

<b>Ayes 4</b>	<b>Noes 1</b>
Ms Fitzherbert	Ms Springle
Mr Morris	
Mr Mulino	
Ms Symes	

#### **Motion agreed to.**



# Minority report





## **Inquiry into the Public Housing Renewal Program Minority Report**

**Nina Springle**

**Member for South-East Metropolitan**

**Deputy Chair of Legal and Social Issues Committee**

While the Government states that renewing infrastructure is the main aim of the Public Housing Renewal Program (PHRP), as it is designed, the program has significant and adverse additional consequences. This minority report, will outline some of these implications for public housing in Victoria and offer some alternative findings and recommendations for consideration.

### **The selling of public land**

The foundation of the PHRP relies on the sale of public land in locations that are well connected to public transport and social and community infrastructure. This is a profoundly flawed approach to a highly complex and pressing problem and disregards the need for a long term and considered plan for Victoria's housing needs in the coming decades. Once this land is sold the capacity of the Government to build new and additional public housing will be significantly diminished.

The Government's model for the development of these sites is premised on selling public housing land to private developers in order to fund the Renewal Program. The Government did not provide sufficient or compelling evidence that it had considered alternative models to renew public housing that did not require the sale of the land. Based on this lack of information and evidence to the contrary, it appears that Government is unwilling to fund the renewals itself or through another model that does not require the sale of the land.

### **Flawed model**

Ultimately, the viability of any proposed solution to address the unprecedented waiting lists for public housing in Victoria, comes down to political will and how the Government prioritises spending on public infrastructure and amenity. Despite a lack of clarity about how much social housing will be provided through the PHRP program, the Government is proceeding with the program. This makes it very difficult to evaluate the merits and costs of the model given the trade-off of public assets it involves.

Without a clear plan or estimate of the amount of affordable housing to be provided and the model it will use to deliver it, the Government is proceeding with a program that has been inadequately prepared for and cannot be justified without further evidence and analysis.

**The Government should have prepared a thorough and transparent cost-benefit analysis (including social and other costs/benefits) prior to proceeding with this version of the PHRP model.**

**The PHRP program should not proceed until a clear, transparent and comprehensive account of how much social housing will be added as part of the program.**

Further, the Victorian Government has provided little information or evidence that a procurement process can yield more affordable housing and appears to be relying on the private (development) market to produce affordable housing without appropriate guidance or limits.

Despite serious gaps and problems raised in the final report of this Inquiry, the Government is proceeding with the PHRP. The PHRP should not be progressed until the Government responds to the recommendations in this report.

### **The Kensington redevelopment precedent**

The review of the Kensington redevelopment project had been suppressed until March 2018 with the Victorian Government claiming executive privilege. The Inquiry was able to obtain and release the report that found:

- The land was significantly undervalued when sold to the developer
- The ratio of public-to-private housing was not justified and represented significant advantage to the developer
- The mixed tenure renewal did little to achieve the desired 'social outcomes' of the renewal project.

These findings are alarming on a number of fronts. The evidence suggests that the Government has a track record of selling public housing land at discounted rates to developers, highlighted in the review that found the land was sold at one twentieth of the comparable price of land in the area.

The Government's suppression of the document suggests that it did not want the public to be aware of the report's finding that public land had been undervalued and sold to the developer. **Given the lack of transparency of the current PHRP program, it raises questions about whether public housing land is being sold at discounted rates to private developers more broadly.**

### **Waiting Lists**

The waiting list for public housing is at record/crisis levels in Victoria with 82,499 people, including 24,622 children, waiting for housing.

While it is often reported that the waiting list is approximately 37,000 applications this masks the actual number of people who remain in vulnerable housing situations.

**The waiting list for public and social housing should be reported both in total numbers of applications and total number of people. The Victorian Government should develop a comprehensive, funded plan to reduce the waiting list for public housing.**

### **Addressing issues of demand and supply**

It remains unclear how the apparent misalignment between the length and needs of those on the waiting list, and the proposed development of new stock, can be addressed with so few new properties being built through this program.

The aim of addressing a misalignment of the types of housing in demand seems to be used as a justification for the PHRP model as opposed to a real solution. You cannot address a misalignment of stock to demand through an intervention of 1800 (approximately) new homes to address 37,000 applications.

The government's claim to resolve misalignment appears to be disingenuous.

If the PHRP was intending to re-dress the misalignment of demand and supply, a full review of existing public housing stock would be done with a wholesale plan to provide more one and two-bedroom homes across the full public housing stock.

Furthermore, this goal needs a timeframe of how and when it will be addressed. The Victorian Government must tie the PHRP to a targeted decrease in the Victorian Housing Register with a clear timeline for reducing the waiting list to actively address the public housing crisis in Victoria as a matter of urgency.

### **Consultation process**

The public consultation process reviewed by the Inquiry found several and consistent gaps and shortfalls in the accuracy and transparency of information available to tenants and neighboring residents. This had the impact of causing more fear, anxiety and uncertainty for people in highly vulnerable situations.

The Government must provide public housing tenants with a respectful and genuinely consultative process to engage with any matter relating to the relocation of their homes.

The omission of residents from meaningful engagement and opportunities to shape the PHRP program to date is a poor example of consultation. The Victorian Government must involve public housing tenants in the design process for the PHRP program.

### **Planning implications**

Communities have been significantly disenfranchised through the use of the Development Planning Overlay (DPO) planning process with the removal of third party appeal rights.

There was significant concern amongst residents about the loss of their appeal rights in the planning process for the PHRP sites.

The Government appears to have chosen the DPO as its planning mechanism for the PHRP as it allows developers to have maximum flexibility to achieve greater yield (and therefore profit).

The use of the DPO mechanism leaves open the possibility that significant changes can be made to the built form of each PHRP site at later stages by developers (for commercial advantage) without the opportunity for public scrutiny and transparency.

The Government is rejecting the advice of its expert bodies.

All but one Council with a PHRP site within their municipality expressed opposition the

Minister stripping their ordinary planning powers for PHRP sites.

### **Private vs Public interests**

**The PHRP program model results in the title of the land transferred to private hands sold to individual purchases. It is unclear if the payment the government receives from the sale of each private dwelling is the full land value at market valuation rates.**

The Government failed to provide financial modelling on how much these payments would total.

‘The Government did not provide evidence on the cost of alternative scenarios and program models such as a higher ratio of public housing to private on each site other than the assumed ratio and/or other ways of retaining ownership of the land.’

‘The committee did not believe that the Victorian Government has provided evidence that the model as it stands provides the best outcome possible for public housing.’ (section 5.2) There was significant evidence of key stakeholders being very concerned about the sale of public asset and the loss of long term benefits of retaining the land asset.

It could be demolishing estates that do not need complete renewal.

**Each of the PHRP sites currently provides open space and recreational areas for residents to use. The densities on each of the PHRP sites being proposed will dramatically reduce the availability of open space and recreational space.**

### **Social mix approach of PHRP**

Research evidence found that you achieve social positive outcomes when social mix occurs at a neighborhood/precinct level - not a site level.

**The Government is using the social housing mix argument to justify its sale of public housing land. The government is misleading the public about the positive social outcome that will be achieved. There is little to no evidence to support that it's model will be positive.**

The evidence provided to the inquiry was inconclusive about the benefits of integrating public and private housing on each site of this scale. In contrast, the Australian Housing and Urban Research Institute found that ‘many of the mechanisms through which social mix is hypothesised to create benefits from disadvantaged populations are either unproven or their causality remains ambiguous.’ (section 5.2)

Social mix should be measured on a neighborhood scale (4000-8000 people) versus at small scale sites such as those the PHRP is modelled on.

VCOSS also submitted that the international research evidence suggests that the benefits of social mix have been found in areas of greater densities of disadvantage.

There is little research evidence to support the government's claim that the PHRP will yield

more social benefit for public housing residents because of the social mix it will result in between private and public tenants.

The claims of achieving social benefit from social mix at the PHRP sites are overstated and appear to be an attempt to justify the program that appears to be driven by alternative motives and a lack of will by the Government to invest and fund public housing adequately.

**The Government must provide binding reassurances that public housing tenants will not be given the lowest quality dwellings at each PHRP site and will instead be regarded equally in the allocation of public housing dwellings.**

**It is unacceptable that the Government is willing to sell public housing land without providing publicly available information about the social return and social cost caused by the loss of this public asset.**

**Developers should not be developing our social housing policy and dwelling mix.**

### **Final conclusions**

It appears that the Government has preferred to consult developers over housing experts to guide the PHRP program. As such, the model is based on one that achieves a commercial profit outcome over a social outcome that addresses the crisis in public housing availability.

In addition to the evidence received, VAGO found that Department of Health and Human Services lacks reliable data to assess the condition of its stock and the rate of deterioration. This has worrying implications about the choice of the PHRP sites for renewal and the claim that the sites were beyond refurbishment and require full renewal.

Without a comprehensive account of the state of existing public housing stock, the proposal to sell the most valuable inner-city public housing land is questionable and raises concerns about the actual versus reported aim of the PHRP program.

The Government's PHRP model is based on a model that accepts that the level of funding made available by the Government for public housing is unchangeable.

This is a flawed assumption. The Government would not need to sell the public housing land to private developers if it increased the amount it was willing to invest in maintaining and building new public housing.

The Government has allowed private developers to fundamentally alter the framework for the provision of public housing at each of the PHRP sites.

