

TRANSCRIPT

STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

Inquiry into the public housing renewal program

Melbourne — 10 November 2017

Members

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Mr Mark Feenane, Executive Officer, Victorian Public Tenants Association.

The CHAIR — Mr Feenane, thank you for coming before us this morning to give evidence. All evidence taken at this hearing is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, those comments may not be protected by this privilege. I invite you to address the committee for about 10 minutes or so if you are able, and then we might throw to questions. We are in your hands.

Mr FEENANE — I do not have anything written or prepared, and I do not intend to go over our submission, because I think it is fairly brief and fairly comprehensive anyway, and it puts our point. What I would like to do is just talk to you about the process that has been applied with the public housing redevelopments at the walk-ups so far, just to bring everyone up to speed with what has happened and maybe clear up some of the myths, because there is a lot of misinformation being spread around.

First of all, I will just put in context what we do. It is not modelling financial stuff — that was all fascinating — and it is not number crunching and it is not all that sort of academic analysis. We are a small organisation — we have been around for over 20 years — that services public housing tenants. We do a lot of work with governments — plural — as they come and go, in terms of trying to work through policy issues, improving policy for people living in public housing, but our core business is actually dealing with people living in public housing and those on the waiting list. We take something in the order of 7000 calls a year from people who just do not work in the system. These are people who cannot get what they need out of dealing with their local housing office and come to us for assistance. So really it is the end of the line. We do not do legal cases, although we sometimes have involvements in VCAT when no-one else will help a person. Our core business is actually working with public housing tenants, trying to understand what their issues are and advocating for those individuals to government and to the housing office to try and get the best outcomes we can. A lot of the work we do is explaining policy to people, taking time just to talk to them about how things work. We are a peak body, and we do have a lot of contact with public housing tenants. We service the entire state from our office in Northcote, which is due for demolition. We will be homeless soon, and I do not know what that means. We are suffering the same fate as our tenants. So it is a lived experience, because we work on a public housing estate. Some of my staff have lived in and do live in public housing. We have four staff to service the entire state, and one of those is full-time out on the road, just visiting and meeting people in public housing. So that is us.

I have been with this organisation since 2012 and we have seen projects come and go and be completed with various degrees of success. I do not have the historical, financial details that some of the other people that are speaking may have. It is very much representing what tenants think about the projects and the redevelopment exercise. The first part of this has really been a consultative process with tenants to talk about the planning parameters, to get tenants to understand all of the issues that have to be factored in in doing a redevelopment on this scale of all the different estates — the 10 different estates. For tenants that has been quite an odyssey, because they really have no idea about all the planning issues, the traffic issues, the social impact sort of stuff, how it works for neighbours, the parking — all that. What they want to find out is, ‘What is my place going to look like? When am I going to be moved? Where do I go to when I am moved? And when can I come back?’. That is pretty much where the thinking starts and finishes — and that is a human process. If I were being shifted, I would get choice in this process, but I would still be really concerned about my kids, the networks that I have established in an area, where I will be going to, what my neighbours will be like, how I will settle down — all that sort of stuff.

So really the first tranche of this exercise, which is the first five developments, has all been about the planning regime, rules and regulations. We have had submissions from everyone. We have spoken to the planning committee. I am still waiting on the outcome of that in terms of whether planning is vested to the minister and how it is going to work. So there are a lot of unknowns. One of the issues with this exercise is clearly about what is achievable on a particular estate. What does it look like now, and what could it be? A lot of the initial discussion has been about how many can we fit on this particular estate, what height it might be? And some of the thinking has changed that over the journey, so we have gone from ‘We might have an eight to 12-storey building here and something else, six storeys somewhere else, depending on the geography of the site’ to ‘It might be only eight storeys because of all this other stuff’.

So it is a work in progress, and no decisions have really been made that are firm. It has all been about the planning parameters. That has been frustrating, and some people might argue that that is not the way to do a project like this, but if you think about it, if you do not start somewhere, who does all that thinking? Where do

you start engaging with tenants and the people that are affected? So it is a logical first step, as frustrating as it may well appear.

On each of the sites there have been a number of engagement meetings. The department hired consultants to engage with tenants. For the 10 sites there have probably been maybe 50 or 60 meetings so far with tenants and stakeholders. I have been to approximately 20 of those myself, and my staff have been to the ones I have not been to. That is a really big ask for us, because we want to represent tenants and we want to hear what the tenants are saying. There has been a record kept of the tenant issues as we go, and they are pretty much the same from site to site. They are the sorts of things I raised at the start: how many bedrooms will I get or my family get? Can I move with my next-door neighbour? What is this going to look like? Where will I be housed? What choices will I have? That sort of stuff.

It has been, as far as we can see, a genuine, consultative process. There have been other players in the mix. Some of the local government councils have had their own meetings and invited tenants along, so there have been a lot of different forums and different meetings. Some of those have been disgraceful in terms of the wrong information that has been given out to tenants — just totally fabricated. I know, because I sit on the overarching advisory group. We have been asking the questions like, ‘What does this mean? Will tenants be moved forcibly?’, and the answer is no.

When you go to meetings at some of these places they say, ‘Yes, they’ll be sent to Ballarat’, ‘They’ll be sent to Bendigo’ and ‘They’ll be sent wherever’, and that simply has never been stated in the process. The misinformation is causing a lot of distress for tenants. There is also the upheaval for some of these people. These properties were built in the late 1950s and 1960s. Some of these people have had their families grow up there from little kids, and now they live by themselves. They are living in three-bedroom places — not a lot of them — but giving that up to downsize to something, you are downsizing your whole life to go somewhere undetermined. It is really stressful and trying, and you can understand that human side of it.

Naturally there is going to be some resistance, but the fact is that, by and large, tenants that we have spoken to across the meetings have said that these developments are really important because they fix up 1100 properties that are disgraceful and just not up to standard if they ever were up to standard. We have seen a lot of maintenance work done on these properties, and they are beyond maintenance. 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 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.

Any thought that this is about a 10 per cent uplift really misses the point; it is actually about 1100 properties that are not fit for purpose and giving back something to those people. Sorry, it gets a bit emotional.

The CHAIR — That is fair enough.

Mr FEENANE — It should be.

Ms PATTEN — That is right. It is people’s shelter.

Mr FEENANE — Yes.

Ms PATTEN — I just wanted to follow on from where you were going there. It is my understanding that one of the particular concerns with the Walker Street development is that a lot of those three-bedroom units are not going to be rebuilt —

Mr FEENANE — That is right.

Ms PATTEN — and that those families are not going to be returned back to Walker Street.

Mr FEENANE — That is the thinking at Walker Street. I have got figures for most of the redevelopment, and the figures are all pretty much the same. If you just take Walker Street, there are 55 three-bedroom apartments there at the moment and a number of ones and twos and whatever. Those 55 three-bedders house in that estate I think four people who are single people but who have been there for years and grew their family up and have had nowhere else to go and were not required to move previously. One of those people has kids occasionally, so with that need they have a reason to stay and they have not had any requirement to move at this point. That is going to go down to something like three or four three-bedroom places.

Ms PATTEN — So from 52 to three or four.

Mr FEENANE — Yes. So it is a reasonable question to ask: what are families that have got four and five kids going to do? Because some of those people have taken it on and their families have grown, and there is a waiting list and a lack of properties. There are no other properties being developed at the size we need. In fact there are hardly any other properties being developed if you look at just the raw numbers of public housing. So where will they go? To think about that you have to look at the options.

The process is a really straightforward one. It is starting about now, with relocation teams going and doing an assessment with each affected tenant and their family to talk about what their needs are and to get a kind of matrix. That was one of the things we suggested — a matrix of need — so they can say, ‘We need to come back to a three-bedroom or four-bedroom or whatever’ under the allocation policy. The allocation policy is prescribed by the department. That is the first thing.

The second thing is that they can make five elections as to where they might want to live. No-one is being forced to go anywhere. The tenants are being encouraged to say it like it is: ‘We need to be in this area because that is where schools are, that is where hospitals are and that is where our connections are’, ‘We have public transport’ or ‘We don’t have public transport’, or ‘We have all these other life things that are happening that we have to still accommodate’.

Then the department will look and try and carefully match those choices — those areas. So you might say, ‘Well, I don’t need to live in the city. I’m happy to live in a more rural environment because I’m retiring and settling down’. Some people are actually achieving really good things in their lives as an outcome of this because they will get a property that better suits their needs and somewhere where they want to be, because people need change. So that is a really important aspect of it — they are not being forced.

They will be given two suitable choices that match the areas people have said they want to go to and what they need in terms of any disabilities they may have or in terms of any special requirements they have or fit-out stuff or any other service issues they may have — case management sort of stuff.

Ms PATTEN — Can I just go back? There is going to be this reduction, so a lot of those people who were living in three-bedroom places will not be able to return. There has been some concern that they are being relocated before the design for Walker Street has even been finalised, so we are moving people out probably prematurely. That is the conversation some of the people in my electorate have been having. Would they be your thoughts?

Mr FEENANE — It depends on how long it takes, doesn’t it? That is the other thing. If the relocation can take you three months to move out those people, then it is a reasonable period of time. Then you do not want the building to sit vacant. So I think you actually have to relocate people because you do not want people living on a building site. If this project does not start, it has to start at some point. So what is the ideal point is the question, and I do not think there is a right answer to that. Getting the tenants housed separately is the most important thing.

The stats will tell you that something like 24 per cent of people return to the place where they vacated in a new development. That is saying that — whatever the numbers work out at — 76 per cent are happily housed where they go to. That is really important. They get better housing, better options. So without starting the process, you will never find that out.

Ms CROZIER — Thank you very much, Mr Feenane, for being before us. I would like to go back to that point where, firstly, you said there were a number of properties beyond maintenance. I am wondering how many that is. Do you know how many that is?

Mr FEENANE — Well, we have seen all the estates, and I think there are probably two estates that are better. North Melbourne is one, and some of the properties in Clifton Hill in Noone Street look to be of a better standard, but they have subsidence issues in the ground, they have got cracks, they have been significantly refurbished and upgraded over the journey and there is no cost benefit to actually continuing to patch over the real problem. So by and large most of these dwellings that I have seen are just beyond it and their life expectancy has well and truly outlived their future use.

Ms CROZIER — So that is just the North Melbourne —

Mr FEENANE — All of them. I think some of them are much worse than others.

Ms CROZIER — Have you got a list of those that you could provide to the committee of what you think are beyond maintenance?

Mr FEENANE — All of them, except for some odd places that were maybe done a little bit later on. But the standard of all of them is still the problem. You still have stairs; you still have no heating and cooling that is efficient. We see trucks and maintenance people at our estate all day, every day. It costs a fortune. There comes a point where you cannot drive an old car; you have to replace it, and these are really old cars.

Ms CROZIER — I am interested in those numbers. If I could go to the relocation teams that you spoke that are speaking to the affected tenants through this program of upgrading of works, as you described, you have some families who have been in there since the 1950s and 1960s in three-bedroom homes. Their families have grown up and left, so they do not require that same amount of room that they had when they had a younger family. My point is: should tenants be assessed on an ongoing basis, based on needs, so that they understand that if there was a greater need — if their family had grown up, for instance — they would not necessarily be entitled or stay in that three-bedroom unit because their needs had changed? We have got thousands coming onto the public waiting list and, yes, it is a dislocation. As you say, there are people with disability who cannot climb stairs, so they may need to be relocated to more suitable accommodation as well. I am just wondering whether there should be more assessment of the tenants on a more regular basis.

Mr FEENANE — The department does have the ability to do that.

Ms CROZIER — And do they?

Mr FEENANE — They have in this situation.

Ms CROZIER — But that is just to the affected tenants. I am talking about tenants across the board.

Mr FEENANE — I think one of the issues with the thinking is there have not been places for those tenants to go. There are still 10 000 people on the transfer list, so these are people who are living in public housing who want to move to somewhere more suitable, and that should be a no-brainer, really, because it is 10 000 in, 10 000 out, just shuffling the numbers. There is a lot of work to do that. But some of those people live in three-bedroom places and they would like to actually downsize to a two. Their family place was a three-bedroom or higher, and they would like to downsize to a two. The policy does not allow that.

Ms CROZIER — That is my point. So you are just saying the policy does not allow them to downsize —

Mr FEENANE — They would qualify for one. A single person would qualify for one, and so —

Ms CROZIER — A one-bedroom?

Mr FEENANE — Yes, under the allocation policy, unless they had a carer or other high needs that they had to satisfy. So the policy alignment really needs to be rethought, I think, to make this work properly and in the long term. If someone says, ‘My needs are no longer here’, because at any point in time I am not sure how good the department is at understanding how many people live on a particular site — I have had a lot of trouble getting that information —

Ms CROZIER — What do you mean by that?

Mr FEENANE — Well, who is living in their properties? They expect when the tenants change, people come and go — not the tenant, but residents that live with that tenant come and go — that they would fill out a rebate form and say that they know that. We have been asking questions like, ‘How many people live in a three-bedroom?’, and it is very difficult to get —

Ms CROZIER — That is my point in terms of an assessment — as you said, a relocation team. But does it need to have a regular audit of the public housing tenants?

Mr FEENANE — Our policy, and we have put it to government, is that there should be a risk-based assessment, and that should be based on the tenant’s current situation and their prospects if they are changing. So if you had, say, someone who was a retiree — he is not looking to move anywhere else and has no real prospects of moving anywhere else — then you would not necessarily review that person, or you would put it on maybe a long-term review, five years or whatever, given that they have an obligation to say if their circumstances change. But with someone who has got kids that are reaching workforce age, you might actually look at some of those situations and say, ‘Well, you know your kids are going to go off to work and you may not require this’.

There will be cases where it makes sense to manage your portfolio perhaps a bit better in the best interests of the tenants and in the best interests of the people who are sitting waiting for properties. We want to make sure that there is an exit path out of public housing for some people — those who want it — and, for those who absolutely need it, that they are accommodated. We do not have the support services around helping people vacate. We do not look at the training option. We do not really look at an assessment of their needs for them to be able to move. So this policy area, we need to actually look at, but we also need to look at the availability of places for them to go that are suitable. If we have got an ageing population, do we leave people living in single-bedroom places, where they need carers, they are going to age in place, with no support? It is not just about where you live, the pile of rocks; it is actually about the support that you need to make your life successful.

Ms SPRINGLE — It probably leads me to my question, which is around supports and pathways to support in terms of relocation, so not just the actual relocation but when they land in the new community, because, as you pointed out, it becomes a complex situation for people around not just formal supports but informal supports. Are there transition plans in place for integration into new communities if a person decides they want to? You talked about essentially downsizing, and for some people they might want to move regionally, but that can be a tricky business.

Mr FEENANE — Yes, it can be. Really we are talking about case management and individual case management. In the time that I have been there we have not seen too many case management systems — they come and go. SHASP was funded, underfunded; now it is back being funded. The case manager tends to work with people at risk of eviction or with high needs — mental health needs, drug and alcohol needs, things like that — and that is not the majority of people in public housing.

Just use this relocation exercise. The 23 people — and I believe it is 23 — that have been selected are the best, of the housing officers’ experience, that actually get it. They understand the problem. The rule book has kind of been put to the left a little bit and they have said, ‘Just do the best you can for the tenants and exercise some judgement and discretion’. Well, that does not really apply across the board. It does not apply to someone who goes into a housing office for assistance. They are a landlord first and foremost, and a lot of the time they come to us for additional referrals and support to other organisations. There is a gap that is not being addressed. Sorry, can you just repeat your question?

Ms SPRINGLE — You have kind of already answered it: whether there are formal supports in place for people who are relocating, but once they get there.

Mr FEENANE — There will be for this crew in the 1100 tenants that are being relocated. The brief that the relocation team has is to maintain support with those people after they move to try and make sure that they are well accommodated and then put them in touch with the right sorts of service providers, where they need that. That is part of what we will be doing, and it is part of the process: what do you need to make this successful? That is all in the mix right now for these people. That will go for a period of time, and there will be local consultative —

Ms SPRINGLE — What is that period of time?

Mr FEENANE — We are saying at least three months, but that may be longer for some people. Consultative committees are being established on each of the estates so that representatives of the people that have left get the latest information and feed things through. So they would get an update on where they are.

Ms SPRINGLE — You talked earlier about the consultations and you thought that the consultations went well. Can you elaborate a little on why you think that?

Mr FEENANE — I thought they were within a limited range — it was about planning — and they did not really answer the main questions of the tenants. They said you can choose five places and you get two offers, but it did not answer the issues that the tenants wanted, like ‘What will this building look like? Would I be able to get a ground floor area? I’ve got a visual impairment, so I need to be on the ground. I can’t work in elevators’ — stuff like that. ‘Can I get ground floor because I’ve got cats?’.

Ms SPRINGLE — And have those answers been provided to date?

Mr FEENANE — No, they have not been because it has not been finalised. The worst part of it is the design brief does not exist. We have only seen blocks, just like a block of Lego. It could be this height. It does not say anything about the style of the buildings, and we would like to see that as part of the process, where they pick whoever is the successful tenderers and then they start doing concepts within the parameters that have been established.

Ms SPRINGLE — This may be a rhetorical question, but how are tenants expected to make informed choices when they are not given any information?

Ms PATTEN — Or the design has not even been done?

Mr FEENANE — They do not have to make an informed choice now. They do not have to elect to come back. They are moving out so that these things can happen. They have to decide where they want to go, and that is their choice, with all the things that they have to tick. But in terms of coming back, they do not actually have to elect to do that until the place is being offered to them, so there is a lot of water to go under the bridge. They cannot say, and I do not think too many tenants are saying, ‘We’ll definitely come back’, because there is too much water to go under the bridge in terms of, ‘Will I be housed? If I’m happy there and if I’ve got all the support, I may not want to’. It is too early to ask them.

Ms SPRINGLE — Is there a time line on this? It is sounding like it is a very tenuous situation for people who like security in their tenancy.

Mr FEENANE — I would have thought that we have seen models like the Prahran redevelopment of high-rises where there has been quite a lot of community consultation saying, ‘These are the two options. This is what this might look like. This is how this would work’, and I think that is the next phase of this.

Ms SPRINGLE — But is there a time line on that? Do you know?

Mr FEENANE — No, but I would suggest it is within the next six months for the first tranche.

The CHAIR — I had a question about the allocation policy that the department uses that you referred to earlier. Has that changed, or when did that last change, that you are aware of?

Mr FEENANE — It has not changed for some time. As far as I am concerned, I have got a copy of it here, and it seems to be —

Look, there are a lot of variations in it. It depends on the number of adults that live at a place, the number of kids, the gender of the kids, whether they have to share rooms. You cannot have an 18-year-old sharing. There are all the rules and regulations, and I think that by and large it has remained fairly constant.

The CHAIR — Can we have a copy, if you are able to share it? That would be really useful.

Mr FEENANE — Yes, before I go I will give it to you.

The CHAIR — Thank you. Another question. I am conscious that people who are fleeing domestic violence often require public housing, and that is something that has been talked about a lot recently, as it should be. How does that sit with a tendency to move away from public housing homes with more bedrooms? What is your view on that?

Mr FEENANE — Well, that is a really big question. How well domestic and family violence people are dealt with in this system is a moot argument. We had a royal commission that talked about the problems. I sit on the Family Violence Taskforce — the housing task force in Victoria — and there is a lot of work being done in that space to try and fix up temporary accommodation and private rental brokerage to give people options and choices so that they can move to where they feel safe and they can be supported to stay in their homes. There is work being done at VCAT. There is work being done in that space all over the space. They are a priority category in public housing generally — a top-priority category — as they should be, and it is an evolving feast. I am sorry, there is no real brief answer to family violence. It is just ongoing, and it needs to be fixed as much as we can.

Ms CROZIER — If I could just ask on that very point, you sit on that housing task force for the family violence initiatives that have come out of the royal commission, so what numbers are you seeing that have been identified as being in need?

Mr FEENANE — I cannot give you the numbers off the top of my head.

Ms CROZIER — Would you have those? Could you provide them to the committee?

Mr FEENANE — Yes, I can get you those and that information.

Ms CROZIER — That would be helpful, thank you.

Ms PATTEN — Just one quick question, and I apologise if it was asked while I was out of the room: looking at these public-private partnerships and looking at the redevelopments where there will be a private component — and the previous witness was talking about the 70-30 mix or the 50-50 mix — does the tenants association have any outlook or any position on what that sweet spot is?

Mr FEENANE — It is hard to say, but we want as much public housing as possible, and the problem is when you have got a waiting list of 40 000-plus people, tinkering at the edges with a few numbers does not make any sense at all. We need a wholesale strategy and a long-term strategic vision for public housing to start really putting in the 3000 properties a year that are required. It is really challenging. The 10 per cent number is an indicative number. At least it sets a minimum. It is not the solution, but at least it sets a minimum uplift. I understand that from the various conversations that we have had that that is the minimum, and they are trying to actually increase that and look at the opportunities with the developers to put as much on the ground as possible, although the private aspect of it is going to pay for the public. There will be a point where either the government says, 'We're going to kick in more money to actually increase the number of public housing', or there is a break-even point, and I do not know what that is, and I do not think anyone does know what that is.

The other concern too is that it is not really about the number of tenancies, in our view; it is actually about the number of people that are housed. You could have a 10 per cent uplift, and when you look at the bedroom data that floats around for each site — and we discussed Northcote briefly — you actually might find that there is an increase of 10 per cent across the board in tenancies, but actually that houses less people. That is really of concern, when you have got a waiting list of what it is. We have been saying a couple of things about that. There is opportunity to do flexible design. You know when you go into a hotel room and there is an adjoining room and you can open it up.

Ms PATTEN — Yes, you mentioned that in your submission.

Mr FEENANE — You would want something a little bit more sophisticated than that, but you might be able to put a two-bedroom and a two-bedroom together somehow to make a four-bedroom or a three-bedroom or whatever the mix needs. That is expensive, because it changes the design automatically just from what the spec is to something that is really adaptable and flexible. It adds cost.

The second thing, and this is probably the more important point for us, is that we want to see those tenants with a right of return. We asked the government and various political parties to sign a pledge about the right of

return. It is about the right of return, it is about the 25 per cent of household income as rent and it is about no change to security of tenure. So if those people cannot be accommodated back there, they cannot exercise their right of return.

In relation to the staff that are actually looking at talking to the people about the matrix of need, as I call it, that data will be the first real data that can go into, 'This is what we need as a minimum for those people that have indicated they might want to return to be housed in this particular redevelopment'. That might come within the sort of 24 per cent figure that only want to be rehoused and that may not be a big problem. But I suspect, given the nature of some of these developments — they are families, they are large, they have not been able to be accommodated elsewhere in the system — there would be a fair percentage that want to come back because of where these places are as well. The other thing is that it is unknown how long this is going to take. Some people may just elect to take something and not come back because they do not want the disruption again — and it is significant disruption.

We have been talking about how we accommodate that right of return, and I guess the government needs to think about it flexibly, and perhaps some of the private stuff that has been set aside could be bought back by the government at a premium, you know, at a reasonable rate, so that they can use additional properties.

Ms CROZIER — Where are those properties located that you just mentioned?

Mr FEENANE — I am talking about the redevelopment.

Ms CROZIER — In the redevelopment site?

Mr FEENANE — Yes. So there is that as an option. There is a lot of private rental brokerage that might be needed to actually subsidise people to live in the private sector for a while as community housing options to be explored, and there are different things, tools, that the government has available. We think that long term there needs to be a whole-of-government approach and a bipartisan approach to public housing and the supply of it because it is only getting worse. If you look at the tables that I have put in our chart, in real terms public housing is about the same now as it was 20 years ago and the demand is just going up. The unaffordability of rental housing generally is a significant problem and it is not going to be solved by a few redevelopments.

There are some projects that are really worthwhile and are doing the same thing. We were talking about the Olympia project at Heidelberg. There are a number of walk-ups at Heidelberg and they have been part of this redevelopment, but that Olympia project is really cost-neutral as far as we can see. It is developing up to 600 properties over a period of time. What they are doing is selling off land to the private sector, and the money they get for the land, which are large blocks, is being used to develop public housing. I think as at now there are about 207 public housing properties that have been developed like that. So it is not costing public housing; it is actually adding. It is also adding to the private side, and it is changing the nature of the community. It is becoming a much more integrated, broader community that is not just all public housing in an area that really had a bad reputation.

That is the other opportunity that we have in this. That model is one that would roll out right across the state. It is a similar model to what we are talking about now, but it is on a broadacre sort of approach. I have spoken to a number of local councils about it and they are interested in pursuing that as an idea in terms of growing public housing. These developments are underutilised, just on the numbers. You can see that they were designed when space was not at a premium, and they are only utilised in terms of what they can support. That is why it makes sense to actually do the redevelopments, although some people would not say that. It is just for the numbers, saying, 'This is not contemporary building. If we start to think about contemporary building we can do better'.

The CHAIR — You referred earlier to the waiting list and said these projects are tinkering in terms of adding additional capacity. In your view, does the government have an adequate strategy for addressing the waiting list in public housing?

Mr FEENANE — I do not think any government has had an adequate strategy. I have been talking to people from all sides of the political spectrum, and the response varies from 'Maintenance — we do more maintenance' to 'The government should spend more money'. I think all of that is probably naive, because I do not think it understands really the scope of the problem and the opportunities that we have. We actually have an

opportunity to deliver best practice globally in what we want to do here in Victoria, and we do not want to waste it.

We see things at conferences all over Australia. If we look at what is happening in Western Australia and South Australia with their Keystart and HomeStart programs, there are different schemes that are happening to take the pressure off the bottom end of the market — affordable purchase. If people can purchase affordable housing it takes them out of the rental market, which means there are more affordable rentals. So it is a strategy that needs to be many-focused, not just about public housing but about solving the big picture problem. It is only going to get worse, and every minute that we waste talking about it and not actually implementing solutions is a missed opportunity.

Ms CROZIER — You said you needed 3000 properties a year to deal with the 40 000-plus waiting list.

Mr FEENANE — The estimate varies between 2000 and 3500.

Ms CROZIER — You also said that government have tools to deal with that. You have just mentioned WA and South Australia, but their property prices are probably less than ours comparatively, I would have thought, so what are those tools that you are referring to that government can use?

Mr FEENANE — Their property prices may be less, but also their geography is a little different and what they have tried to establish. The one in Western Australia says, 'We'll release land, the builders will build for an amount, so we know kind of how much the properties are going to cost us, we know what the returns are going to be'. There is something like \$6 billion out on loan, which is considered to be an asset because they hardly have any defaults. The scheme has been going for ages.

In South Australia the scheme is an on-loan scheme. So if you are a student and you have to pay a HECS debt, you leave university and you have got a HECS debt that you cannot jump over. You then have to rent because you do not want to live with your parents forever. So you then have to pay rent and then if you want to purchase you have to save a 10 per cent deposit. So with all the hurdles that you face, why would you even bother?

There are schemes like this where they say, 'Well, based on the fact that you have a high earning capacity, and you do' — you know, if you are an accountant that has just come out, or a lawyer or whatever it is — they lend the deposit and you buy back equity, and it does not have the same pitfalls as some of the schemes we had in Victoria many, many years ago. There are lots of schemes like that. We should be attracting superannuation funds to invest in housing in Australia. They invest in housing in America. We should be looking at a whole range of different solutions, not just that the government needs to spend more money. The government should be — and it is back to your point — facilitating outcomes, you know, attracting investment into the system.

The exercise that we were talking about at Olympia is a classic example. You are actually getting a really dynamic community because the private people are coming in and every house is different. It is not like you have just built the same old, same old, same old, same old public housing. You have actually got private developers. That is the problem for council because they have got to then treat each separate house on its merits as a different development, but that is part of the challenge: to change the way the councils operate so that they can be flexible, they can fast-track projects like this, and they do work. So there is another model that works.

There is a whole lot of federal stuff that could be done with tax, with incentives and all that sort of stuff. That is not really the function of this group, but it is that sort of stuff that is missing in the thinking. There is lots of academic discussion about it but nothing happening on the ground. Sorry, that is an exaggeration; there is stuff happening on the ground, but it is not enough. The system deals with about 4500 people a year; it houses that many people. By any analysis, that is not a lot of people. It is just growing; it is going to keep going.

Ms CROZIER — So you also said that, yes, the Olympia project you see as a good model, but you also mentioned previously that you had spoken to a number of councils in relation to projects. Which councils are they?

Mr FEENANE — I spoke to Darebin.

Ms CROZIER — So have they got identified land in Darebin?

Mr FEENANE — Some of the councils are thinking about building on car parks. Why would they not? There is land there. Some of the councils are looking at partnering to do stuff like that. It is space that is wasted. They are looking at doing things like, if you were to give —

The department has 600 vacant properties. It is something in that order.

Ms CROZIER — Do you know where they are, the 600 vacant properties?

Mr FEENANE — They are all over the state. Some of them are —

Ms CROZIER — Have you got a list of those?

Mr FEENANE — No. That is commercial —

Ms CROZIER — Could you provide a list of those?

Mr FEENANE — No. That is commercial in confidence. We have asked and we cannot get any of that sort of stuff. It is really hard to get that sort of information from the department.

Ms PATTEN — Why is it commercial in confidence?

Mr FEENANE — Because if they ever want to sell them, they do not want to identify where public housing is likely to be built, they do not want to telegraph punches in some sense, they do not want to talk about ‘We’re redeveloping all these blocks of public housing’, because there are people living there. There are plenty of issues. It is very hard to get that sort of commercial information and plans. I know the department now has got plans for its properties. It has done some sort of analysis on all its properties and what it is going to sell, keep, upgrade or whatever. It is something that came out of one of the Auditor-General’s reports. The thinking and the planning ability is there, but it is not in the public domain and that is part of the problem.

In the analysis — and we heard about Kensington before and Carlton — there is not a lot of critique and not a lot of understanding of best practice that has happened with those sorts of things. If you ask me about Carlton from the tenants’ point of view, the tenants are saying, ‘Well, we actually are segregated. It is gated and we like it that way. We like it that way because we are the residents here’. The fly-by-nighters are the people who come in and rent for a year because it is close to Melbourne and they can increase their careers. Some of the owners are in Singapore. People say, ‘We like it here because we’re part of the community. We don’t mind being gated’. Other people say, ‘Look, it’s us and them. The buildings look different’. We have got to get the thinking right around this.

The other issue that I really do want to talk to is the issue about integrated communities. We think that it is really important to have a salt-and-pepper mix, a proper salt-and-pepper mix, in all of these developments in the way forward. The more we talk about standalone silos of disadvantage, the more you have to say it just makes no sense at all. It just continues that —

Ms CROZIER — Should it not be based on needs first and foremost?

Mr FEENANE — It should be based on the community that you want to build, making it cohesive and giving the right levels of support to community development. Some of those people will have higher needs, but if you concentrate all the higher needs people in one spot, you create a real problem for everyone. Most of the people in public housing are really happy. It is a very small number in reality of high-needs cases, and it is a community-based problem — you know, drugs, alcohol, people aging, mental health issues. It is not exclusively in the realm of public housing. Anyone who thinks that needs to actually go and walk down the street and see the crime rates in Northcote, which generally are higher than the crime rates at our estate. Do you know what I mean? It is just a myth, and we should not keep perpetrating the myth about how bad it is.

What we should be trying to do is to create something that is really good. That is best practice as far as I am concerned. And that is the challenge to you guys — to do it. The thinking has to be, with these redevelopments, about what sort of community do we want to build here. If we are just going to single-bedroom places, what are we going to do? Are we building apartments for retirees in the city? Are we building student accommodation? We do not have the dynamic mix that we need, with kids coming in and out who create networks that give life to developments. Do you know what I am saying? We certainly need over-55 places and all this, but we need

really good growing, integrated communities. I think if we just go with small-scale thinking about, ‘The waiting list says we need more one-bedroom places’, that might be the case, but not here; we need it right across the board. We need housing with four bedrooms and three bedrooms right across the board. It is not being built.

The CHAIR — I think we are very close to time, but I have one last question, if that is all right. I was interested in the sites that were selected for this particular project, and I guess all of us probably looked at it this way. We thought of public housing in our areas, and thought, ‘Why wouldn’t you include that?’. Close to my electorate office, for example, there are public housing towers that are among the first that were built. I have been inside them, and they are in really bad nick. It seems to me that those sorts of high rises are the opposite of what you are talking about, where you have got more open communities that are integrated and where there is a mix of people living. Do you have a similar view? Are you surprised that there are not some of those older tower developments in this tranche?

Mr FEENANE — This question has been asked a lot, and there are lots of opportunities for development. But it is not about, ‘We’ll develop Park Towers or somewhere in South Melbourne and send the people somewhere else, because we can use all of this for private development’. It has got to be about building cohesive communities. So whether that is in towers, in walk-ups, or whether it is in broadacre stuff, we need to be thinking about the big picture: ‘What’s in the best interests of the state?’. If you had a whole bunch of people living cheek by jowl, it does not matter what economic background they come from, there will be issues.

The CHAIR — I guess what I am considering in that case is exactly the conditions that people are living in. Those towers are in very, very poor condition.

Mr FEENANE — They house 16 000 people in the 44 of them. Where would you put those 16 000? That is the problem of the collision between ideology and pragmatism. You actually have to then do something to house those people.

The CHAIR — But we are doing that with those other —

Mr FEENANE — Yes, we are doing it on a scale that does not in the scheme of things make a lot of difference. So far as we are concerned, it houses 1 100 people in a better standard which they should get anyway. It gives you a 10 per cent uplift.

I would like to engage in a conversation about how to redevelop high rises and redevelop some of the vacant land we have, because that is the conversation that needs to be had. It needs to be a long-term strategic view about what we are going to do here, not, ‘Well, this week’s idea is this’, or ‘This government’s idea is this’. In three years time or four years time they will not be in power so somebody else will come up with something else, and there is no continuum that will make any real sense. If the best a government can do is implement something that ‘Maybe it will last beyond our term for a few years’ — that is why we have asked for the pledge to be signed, so there is some kind of continuum and so people say, ‘We are prepared to actually look at the long-term needs here’ and not pull the rug out from under. So your question is relevant —

The CHAIR — I think maybe you have misunderstood what I was asking.

Mr FEENANE — No, your question is relevant, but it is part of bigger picture thinking.

The CHAIR — I agree. Earlier you said that the sites that are part of this project are the worst of the worst, or some similar term like that. When you said that, I thought of public housing estates that I know of and that I have seen. I know a number of the ones that are within this project — I have been to them — and I think there are many sites that are worse. I was just asking your view on why it is that these ones may have been chosen.

Mr FEENANE — Some are painful and some are really painful, but they are all painful in some sense. I do not know how the priority was determined. They are all inner-city, and some of them are in marginal seats, I guess. I do not know, I am not a politician, so I can speculate like anyone else. But I think the focus should be more broad. It should not be on just these 10 developments. If one outcome we get from this committee is a better process moving forward and one that you all agree to, dammit, we win.

The CHAIR — That is probably a good note on which to finish, because I think we are out of time.

Ms PATTEN — It is a very optimistic note. I like it.

The CHAIR — Thank you very much for your time today. You will be provided with a transcript within a few weeks for checking.

Mr FEENANE — Do I want it?

The CHAIR — It is completely up to you.

Ms PATTEN — I am sure it will make great reading.

Mr FEENANE — Thank you.

Witness withdrew.