

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2021–22 Budget Estimates

Melbourne—Tuesday, 29 June 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr James Newbury

Mr Danny O’Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESSES

Mr Richard Wynne, MP, Minister for Housing,

Ms Sandy Pitcher, Secretary,

Mr Ben Rimmer, Associate Secretary, and Chief Executive Officer, Homes Victoria,

Ms Nicola Quin, Deputy Chief Executive Officer, Homes Victoria,

Ms Sherri Bruinhout, Executive Director, Housing Pathways and Outcomes, Homes Victoria, and

Mr Andrew Minack, Deputy Secretary, Corporate and Delivery Services, Department of Families, Fairness and Housing.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2021–22 Budget Estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

We note that witnesses and members may remove their masks when speaking to the committee but must replace them afterwards.

We ask that mobile telephones should now be turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

We welcome Minister Wynne, in the first instance for the consideration of your housing portfolio. We invite you to make a 5-minute presentation. This will be followed by questions from the committee. Thank you.

Visual presentation.

Mr WYNNE: Thank you very much, Chair. With me today I am joined by Sandy Pitcher to my right, who is the Secretary of the department; Ben Rimmer to my left, who is the CEO of Homes Victoria; Nicola Quin, the Deputy CEO of Homes Victoria, is next door to Ms Pitcher; Sherri Bruinhout is the Executive Director of Housing Pathways; and Andrew Minack is the Deputy Secretary of what I would call corporate services—who are here to assist us today.

So going to my presentation, the Victorian budget 2020–21 really backs up our record \$5.3 billion Big Housing Build investment, with even more support to ensure more Victorians have a roof over their head. \$252 million will go towards critical support services, including programs for those experiencing homelessness or sleeping rough, support for those in emergency accommodation and for our public housing residents at North Melbourne and Flemington. This focus on critical housing and homeless support services complements the largest single investment in social and affordable housing by any government in Australia's history, with \$1 billion of this already committed now, at the end of this financial year.

\$193.7 million will continue our successful program that supports people who are homeless and at risk of homelessness, including the really significant private rental assistance program, supporting over 7000 households annually in establishing or maintaining a private rental tenancy, including a targeted private rental assistance program for Aboriginal Victorians.

We are continuing delivery of assertive outreach and support housing teams for rough sleepers, and on-site delivery of essential health and addiction services at our three crisis accommodation facilities—in Southbank, run by Launch Housing; Flagstaff, by the Salvation Army; and at North Melbourne, by VincentCare's Ozanam House—and the H3 alliance, which is preventing and resolving homelessness in the rapidly expanding Wyndham growth corridor. Rough sleeping initiatives are funded with a further \$26.1 million, including

\$15.1 million to expand the very successful Sacred Heart Mission's journey to social inclusion program and \$11 million to improve the data analysis system in homelessness, which will help us better understand the risks factors so we can improve our targeting, particularly as it relates to early intervention. We are continuing to invest in initiatives to support and keep Victorians safe during this pandemic: \$16.9 million builds on \$150 million already invested so rough sleepers can remain supported in hotels until they transition into longer term housing. And \$6.6 million has been allocated to the pathways to recovery project for another four years to increase support for residents of the housing estates at North Melbourne and Flemington. This project will help residents with training and employment as well as ensuring they have more input into the decisions that impact their homes and their neighbourhood.

The mental health royal commission, as we all recall, recommended 2000 homes be assigned to Victorians living with mental illness under our Big Housing Build, and we will deliver that but also with supported housing. This budget acquits that recommendation, with the Department of Health providing \$40.4 million that will fund 150 hours of wellbeing support per year for 2000 Victorians housed under the Big Housing Build. And \$5.4 million is also provided to start planning for a further 500 supported housing places for young people aged between 18 and 25 living with mental illness.

I will leave the presentation at that point, Chair, and I would be happy to take questions from the committee.

The CHAIR: Thank you, Minister. Deputy Chair.

Mr RIORDAN: Thank you, Chair. Minister, just a quick question. Obviously as part of your Big Housing Build you are keen to engage with others in the private sector and elsewhere who want to invest in it. Would you say you make that experience easy for outside investors?

Mr WYNNE: Well, we are certainly encouraging it, Mr Riordan. As perhaps we have talked about separately, I mean, we have been actually overwhelmed by the level of interest that has come forward from the private sector but also from the philanthropic sector, the church sector, and particularly local government as well. That is important because, as you know, one of the keys to really extending this \$5.3 billion investment, along with the other announcements that we had previously made, is that we hope to build at least 14 000 units and possibly more. But if you have a partner that is able to come to the conversation with land, it completely changes the configuration of these projects and you can stretch that investment much more widely.

In terms of private sector involvement, obviously I would point you to the ground lease model, which we launched only a few weeks ago, which obviously involves a whole variety of players, particularly private sector investment and superannuation funds as well.

Mr RIORDAN: So can you tell me why, for example, the Harris Capital proposal that was given to you—I believe there was a successful stage 1 project of about 57 homes in Footscray and they came to you with offers to buy more land and build more houses purely out of a philanthropic desire to help solve the problem.

Mr WYNNE: Sure.

Mr RIORDAN: Why would a project like that not get up and why would they be forced to walk away from dealing with this state government when they have got multimillions of dollars, land—everything that you seem to be asking for—and yet they cannot get a deal with you?

Mr WYNNE: Well, obviously I do not assess the projects. I mean, it would be quite improper for me to be making those sorts of assessments.

Mr RIORDAN: At face value does it seem strange?

Mr WYNNE: Well, they have to be professionally assessed. I am unaware of that particular project. I am not sure whether one of my colleagues here can provide any further advice. If we cannot, I would be happy to take that on notice and take further advice about it. Obviously it is entirely appropriate that these applications are dealt with in an independent way and not assessed by me.

Mr RIORDAN: Mr Rimmer, you look like you can comment. If someone comes to you and says, 'We want to build one house a day for 365 days', like, that is a pretty generous commitment.

Mr RIMMER: Sure.

Mr RIORDAN: Why wouldn't that be taken up?

Mr RIMMER: So first of all, in relation to Harris specifically, I would need to check our records for where that proposal is up to. But we have to go through proper procurement and probity processes and things like that—

Mr RIORDAN: I understand that, yes. But this is a company that tells me they had built you 57 homes, they have got fantastic tenants, it is very successful, and yet they have thrown their hands in the air and walked away with disgust because they just cannot get through your department, and that is from what I can gather \$10 million to \$15 million going elsewhere.

Mr RIMMER: Well, that is disappointing. We will have a look into it and come back to the committee.

Mr RIORDAN: If you could answer that on notice, that would be great. Minister, budget paper 3, page 59, which refers to output initiatives of the Department of Health, the last initiative identified on that page is the 'Public health and local place-based delivery' output. \$800.7 million is allocated for the coming year, then \$8.7 million, \$8.5 million and \$4.7 million respectively over the forward estimates. According to page 65, which contains the description, the initiative is split over seven outputs for two departments, including the housing assistance output. Minister, how much of the \$800.7 million will be available for the housing assistance output this year, and how much will be available in the coming years? I am happy to take that on notice if it is—

Mr WYNNE: I am advised by the CEO of Homes Vic that it is about \$150 million this year.

Mr RIORDAN: Yes. And, what, then the balance spread over the forward—

Mr WYNNE: And the out years.

Mr RIMMER: So for 2021, the number is something like \$151 million and for 2021–22 it is something like \$154 million. That all goes into prevention and primary prevention initiatives with public housing and other vulnerable accommodation settings, such as supported residential services and rooming houses, caravan parks and other kinds of residential setting likes that that are particularly susceptible to COVID challenges.

Mr RIORDAN: Okay. My time has expired. Thank you.

The CHAIR: Thank you, Deputy Chair. Mr Maas.

Mr MAAS: Thank you, Chair, and thank you, Minister, and your team for your appearance this afternoon. Minister, if I could take you to what we know as the ground lease model and the nature of how that works. There is a reference to that in the table for the director of housing's existing projects, under the Flemington estate redevelopment—that is at budget paper 4, page 154. If you could explain how that model works for us, that would be great.

Mr WYNNE: Thanks, Mr Maas, and in part I will pick up Mr Riordan's earlier question about private sector involvement in housing as well. Our ground lease model is actually an Australian first at any scale. New South Wales have done a small project I think of about a hundred units, but this is a really significant, new and innovative approach which really ensures that we do stretch this very significant commitment that we have made as far as we possibly can. It is based on a build-to-rent framework and is a partnership between the government, community housing organisations and the private sector. The \$515 million project will see our not-for-profit project partners lease our land and build, operate and maintain the housing across three sites for 40 years. At the end of the 40-year lease, the land and all the homes return to the management of Homes Victoria in the same condition that they were in at the start of the contract term. The government will also start receiving a profit share from the project after an estimated 12 years, and these funds can of course be used for further reinvestment in social housing.

I really put to the committee that this unique partnership enables the government to leverage the expertise of our partners, particularly our partners in the private sector and our housing associations, to ensure that we have sustainable housing at an affordable price. It also opens the social housing sector to greater investment

opportunities, because we have worked for a very long time to try to encourage particularly superannuation funds. And I have talked about this before, Mr Riordan, I think in our last presentation—in fact, when was that, November last year—when we talked about trying to attract superannuation funds into this form of investment. And we have actually now reached what I think is a really sweet spot. In part that has been due to the historically low interest rates that are available now and the investment returns. But they have found actually a product now that is very attractive to the private sector and provides them with a consistent stream of income going forward.

The three projects—all obviously on vacant government land sites in Brighton, Flemington and Prahran—will be transformed into 1110 social, affordable and market rental homes for singles, couples and families. It is likely that this project, we estimate, will create at least 4600 jobs. In New Street, Brighton, a \$135 million project, 299 homes—151 social and 148 market rental—replacing 127 outdated walk-ups; in Bangs Street, Prahran, in Mr Hibbins's electorate, a \$185 million project, 445 homes, including 228 social and 217 market rentals, and again, as Mr Hibbins would be aware, replacing 120 of probably some of the most outdated homes in that area; and at Holland Court, Flemington, a \$195 million project, 366 homes—240 social, 126 affordable—again replacing 198 outdated old concrete walk-ups in Flemington. The total capital investment includes an injection of \$50 million for the Big Housing Build project at Flemington. This is really a very innovative scheme, and the beauty of it is that it is a tripartite arrangement between government, a social housing provider and manager, and private sector investors. And by the time that we get to 12 years of this project we will be in a profit-share arrangement, which frankly is very, very unique. And at the end of the 40-year lease it is absolutely guaranteed that all of those properties return to public ownership.

The department ought to be commended on this. This has been worked on for a very long time. It is really an innovative proposal which, as I say, stretches the record investment that the government has made as far as we possibly can to support, obviously, the most vulnerable in our community.

Mr MAAS: Thank you very much, Minister.

The CHAIR: Mr Hibbins.

Mr HIBBINS: Thanks, Chair. Thank you, Minister, and your team for appearing this afternoon.

Mr WYNNE: Pleasure.

Mr HIBBINS: Continuing on the ground lease model, I want to ask about the affordable housing element of it, which obviously is part of the bigger build. What will be the eligibility for affordable housing? I think there are some statutory income ranges already in place.

Mr WYNNE: There are.

Mr HIBBINS: So what will be the income range that is going to make you eligible for an affordable home? And then how will those homes actually, how will the rent then be set to actually make that—

Mr WYNNE: Sorry, what was the second question?

Mr HIBBINS: How will the rent be set? How will we actually make them affordable for people?

Mr WYNNE: Yes. As you are aware, Mr Hibbins, the *Planning and Environment Act* stipulates clearly what the bands of income are. I can get that for you. And secondly, in relation to how rents are structured, it is 30 per cent of their income.

Mr HIBBINS: Okay. And in terms of the bands that are going to be used for these particular homes—

Mr WYNNE: I will get you those bands in a sec.

Mr HIBBINS: No, no. I know what the bands are.

Mr WYNNE: Oh, righto.

Mr HIBBINS: But there is eligibility—very low, low or moderate—

Mr WYNNE: Why did you ask the question then?

Mr HIBBINS: Because which bands will be eligible for these particular homes? Will it be people on a very low income or people on a low income or people on a moderate income?

Mr WYNNE: Well, you know what the bands are.

Mr HIBBINS: Yes.

Mr WYNNE: The bands are structured around what your family composition is—if you are a single person, if you are a couple or if you are a couple with children.

Mr HIBBINS: Well, that is the difference. You have got a set number of affordable homes. Are people who are just earning under \$26 000 a year going to be eligible, or will you be able to earn up to \$62 000 a year, for example?

Mr WYNNE: Well, it will be across the range, obviously.

Mr HIBBINS: Right. So there will be—

Mr WYNNE: Well, I mean, we are not—sorry?

Mr HIBBINS: Will there be a specific allocation for the various bands?

Mr WYNNE: No. Not necessarily. There are three bands. People will be taken off the waiting list, and if they are eligible, they will be housed, depending on what their family circumstances are.

Mr HIBBINS: When you say ‘the waiting list’, do you mean the current social housing waiting list?

Mr WYNNE: Correct.

Mr HIBBINS: So there will be no specifics in terms of, ‘These affordable homes are for people on a very low band’—it will be open to low, very low and moderate?

Mr WYNNE: Well, you have asked the question, and I said it will depend on the circumstances of people coming off the list. But I think the director of housing would like to make a comment as well.

Mr RIMMER: Mr Hibbins, if I may. The affordable housing that is being delivered under the Big Housing Build is only just starting construction now, so we have a period of time to work through all of the details of the precise eligibility criteria. The plan is to build them, as the Minister has said, off the *Planning and Environment Act* criteria of very low, low- and moderate income levels. But in some places there will also need to be a rental level set as well. I know it sounds silly perhaps, but there is actually some period of time that we can work through that and get the detail of that right, including appropriate consultation and engagement processes with some of the stakeholders, to make sure that we get those settings right. It is proposed that it be a different product from a different housing option to social housing and public housing, but the detail of that is still something that needs to be worked through over the coming months.

Mr HIBBINS: Okay. Thank you. Well, I just would have thought that, you know, the detail of just exactly what specific bands would have been eligible would have been something that would have been already set, but that detail is still to be worked through. You have mentioned profit sharing. What are the terms of that profit sharing?

Mr WYNNE: The terms of the profit sharing?

Mr HIBBINS: Yes.

Mr WYNNE: Well, it is a third, a third and a third. So at this stage it is predicted, as I indicated, that after a period of 12 years of operation any profit that is derived after that point will be shared between the three parties.

Mr HIBBINS: Split three ways?

Mr WYNNE: Three ways.

Mr HIBBINS: Okay. Thank you.

Mr WYNNE: Which I think is really pretty innovative. So it really keeps all parties up to the game, because they have all got an interest in ensuring that the thing is successful.

Mr HIBBINS: You made an announcement recently regarding the South Yarra estate—330 homes.

Mr WYNNE: And I was very pleased to see you tweeted out your support for it—and even more than that, you claimed it as your victory.

Mr HIBBINS: Did I?

Mr WYNNE: As far as I am aware.

Members interjecting.

Mr HIBBINS: Heaven forbid a local member should advocate for their community. Now, you put out a very, very broad survey.

Mr WYNNE: Victory has got a thousand fathers.

Mr HIBBINS: Where is it going to be actually built? You know more detail. Where is it going to actually be built, how big is the building going to be?

The CHAIR: I am sorry, Mr Hibbins. Your time has expired.

Mr RIORDAN: I am sure the Labor Party will cede some of their time so he can answer.

Members interjecting.

The CHAIR: Mr O'Brien has the call. Mr O'Brien can decide whether he would like to cede time.

Mr HIBBINS: I thought I was congratulating the government and drawing some attention to it.

Mr WYNNE: No, no, no, you were. No. Look, I was delighted to see your tweet and—

Mr D O'BRIEN: I do not cede time, Minister, but I am happy if you will agree to take Mr Hibbins's question on notice—if you could say yes or no, for the Hansard record.

Mr WYNNE: All right. I will take it on notice.

Members interjecting.

A member: We got you at a soft moment, didn't we?

Mr WYNNE: Yes, you did.

Mr D O'BRIEN: Minister, you made an announcement this month about the demolition of 66 public housing buildings at the Delacombe Estate in Wendouree.

Mr WYNNE: Yes.

Mr D O'BRIEN: And according to the report in the Ballarat *Courier* the residents of those existing homes received letters in their mailbox addressed to 'The Resident' on a Saturday. Is that a good way to go about public consultation for people who are going to lose their homes?

Mr WYNNE: Well, they are not going to lose their—I mean—thank you, Mr O'Brien—

Mr D O'BRIEN: Well, they are. Their existing homes are going to be demolished.

Mr WYNNE: No. I appreciate this question because it gives me an opportunity to in fact correct the record. There was a report, I believe in the Saturday's *Ballarat Courier*, which indicated that these residents would not have first right of return to their property. That is factually incorrect. The reporter at the time I did the stand-up, I think earlier in the week on a Monday or Tuesday, specifically and not surprisingly asked me that question and said, 'Well, you know, you're going to disrupt people here, and what is their situation?'. And I indicated at that press conference that, yes, absolutely—it has been a longstanding policy of housing that if your unit or your site is being redeveloped, you have first right of return.

Mr D O'BRIEN: Which is good, Minister, but that is not the question I asked.

Mr WYNNE: Well, I mean—

Mr D O'BRIEN: It was about the process.

Mr WYNNE: Yes, but that was the tenor of the story on the Saturday, and we have actually asked the editor for a correction, so—

Mr D O'BRIEN: Okay. But do you agree? Marlene has lived there for 42 years, Pam and Leo for 28 years, many others for decades, and they basically get a letter in their mailbox addressed to 'The Resident'. I mean, the department surely has their names and could have at least personalised it? Can you understand their angst about this? They do not know whether they have got days or weeks or months. How long do they have?

Mr WYNNE: Well, this has been subject, Mr O'Brien, to extensive community consultation over three years. Yes, it has. And the Member for Wendouree was in fact the chair of the consultative committee, which has worked together for three years. That community was well aware of the work that in fact the Member for Wendouree had put into this project, and that is why she was so thrilled that we got this announcement—150 new units there is a very significant announcement for her area. And obviously we will have a community consultative committee and ongoing consultation. Sure, I mean, could we have done it better? Perhaps. I accept the points you make, but I think you need to also accept the point that this has been a long process to get us to where we are now.

Mr D O'BRIEN: Right or wrong, there were clearly some residents who did not know anything about it. Maybe I will move on and ask further questions. You are talking about 150 social housing homes to replace those 66. How many of those will be freestanding homes, as the ones that are there now are, and how many of them will be public housing?

Mr WYNNE: It is a replacement project. It is a public housing project. It is a replacement of—

Mr D O'BRIEN: So it will all be public housing?

Mr WYNNE: Yes, it is 150 social, and through the consultative process we will talk in depth with residents about the design of them. I mean, there are some issues around traffic management in that area; it is a fairly tight area there. So we will take people on the journey with us, as we should.

Mr D O'BRIEN: Okay. How many will be social housing and how many will be available to be purchased?

Mr WYNNE: There is no purchase program.

Mr D O'BRIEN: So it will be entirely public housing?

Mr WYNNE: Social housing.

Mr D O'BRIEN: Okay. Can you answer the question about freestanding homes? I think one of the reports talks about medium density.

Mr RIMMER: I think the planning for that is still underway, Mr O'Brien.

Mr WYNNE: It is still early days.

Mr D O'BRIEN: Okay.

Mr RIMMER: You will be aware of course that there is very significant demand for one- and two-bedroom properties and comparatively less demand for three- and four-bedroom properties in that area, so we are obviously keen to make sure that the new housing stock meets the needs of the local community and people on the waiting list in that community as well as upgrades the general area.

Mr D O'BRIEN: Can I sneak in a quick one, Minister? This time last year we were all celebrating the fact that there were basically no people living rough in the CBD of Melbourne. There clearly are a lot back out there again. What is being done about that? We thought we had not solved it but addressed it at least to a point.

Mr WYNNE: Well, I will come back to answer that question, because I do have quite a detailed answer I want to give you in relation to that because I know you have a longstanding interest in that.

Mr D O'BRIEN: Sure. Perhaps one of the government members will—

Mr WYNNE: But I definitely want to come back to that, and my colleague Ms Bruinhout will also be able to assist us. She has been managing that program for us.

Mr D O'BRIEN: Thank you.

The CHAIR: Ms Richards.

Ms RICHARDS: Thanks, Minister and officials, for your time here this afternoon. I would like to explore the Big Housing Build and particularly refer you to budget paper 4, page 153. The table here outlines the spending on last year's historic, optimistic—the sense of great optimism we have for this—Big Housing Build. Could you update the committee on the progress of that package?

Mr WYNNE: Thanks, Ms Richards. As I indicated, this is a fantastic program, and right now work is underway on six fast-start sites which together will deliver around 1000 social and affordable houses across Melbourne. Work has started in Ascot Vale, 200 homes, which I launched with the Premier in February, I think, this year, and West Heidelberg, 130 homes. Builders have been appointed for 206 homes in Bills Street, Hawthorn, and 178 homes in Markham Avenue, Ashburton. And the Flemington project stage 1 will be starting this year as part of, as I indicated, our nation-leading ground lease delivery model, which will add an additional 126 affordable homes to the 218 social housing dwellings being delivered in the first stage of that project. Master planning has commenced at North Richmond, in my own area, to deliver more livable homes to the north of the very significant North Richmond public housing estate, which will deliver 128 brand new homes on that site.

Last year of course we did open the rapid round of the Social Housing Growth Fund, and community housing providers, as I think Mr Riordan was indicating, were asked to submit projects that would be ready to be shovel ready by December this year. This process closed in March, and we are working towards executing contracts for the successful proponents within the next couple of weeks.

We also, frankly, opportunistically seized the chance to get things moving quickly by purchasing properties in projects that were already underway or ready to go and just needed a small financial push or a bit of a partnership.

We opened a request for proposals—and I am sorry Mr Riordan has had to have a break for the moment—from the private market in November last year, and we received over 300 submissions. Not all were compliant, but the department is working its way through a very large number—here he is now. Three hundred was the—

A member: You were missed.

Mr WYNNE: You were missed. Three hundred submissions—

Mr RIORDAN: Thank you, Minister. Your colleagues do not often think that of me when I am not here.

Mr WYNNE: Oh, well, I miss you. You know that.

Mr RIORDAN: I know you care.

Mr WYNNE: I do. I do. Do not throw me off here.

Mr RIORDAN: Whose time am I eating into?

Ms RICHARDS: Mine.

Mr RIORDAN: Oh, that is fine. Keep going then, Minister. That is fine.

Mr WYNNE: So we got 300 submissions, obviously including your one, and I hope we are going to get an answer for you before the end of business today on that capital project. Not all were compliant. The department is working its way through obviously this large number of proposals. But I am pleased to say we will be delivering projects in the City of Warrnambool, Melton, Brimbank, Whittlesea, Wyndham, Darebin, Ballarat, Bendigo and Mitchell, to name but a few.

Mr RIORDAN: But none in Polwarth, Minister.

Mr WYNNE: Stay tuned.

Ms RICHARDS: Thank you, Minister. I am interested—

Mr WYNNE: Actually, I have not finished.

Ms RICHARDS: Oh, sorry.

Mr WYNNE: Do you want to know about some spot purchases?

Ms RICHARDS: I would love to. Yes, please.

Mr WYNNE: No, go on.

Ms RICHARDS: I am interested in understanding a little bit about how we are getting people into jobs.

Mr WYNNE: Actually, no, let us do the spot purchases.

Mr D O'BRIEN: Hang on, the minister had not finished, Chair.

Mr WYNNE: I have got some spot purchases for you as well.

Ms RICHARDS: I am happy for the minister to finish talking about spot purchases.

Mr WYNNE: So we looked to do spot purchasing as well—600 homes across the state—and I am pleased to report spot purchases are being delivered right across the state: Gippsland, Barwon, southern Melbourne, Bayside, Loddon Mallee, Central Highlands and northern and western regions, and contracts will be settled on those within the next couple of months.

Ms RICHARDS: In the very short amount of time I have got left, if you are interested in exploring a little bit how this is getting people into jobs.

Mr WYNNE: Well, this is really what this is about. It is about not only the supply of housing—jobs that are on site—but also the supply chain as well, particularly crucial in regional Victoria where, as you know, \$1.25 billion is being allocated specifically to our regional economies as well.

Ms RICHARDS: All right. Thank you very much, Minister. Thanks, Chair.

The CHAIR: Thank you, Ms Richards. Mr Limbrick.

Mr LIMBRICK: Thank you, Chair, and thank you, Minister and team. On slide 4 in your presentation you talk about investment in data and analytics: \$11 million. This is a thumping analytics project. What sort of insights are you hoping to get from that that would justify that sort of expenditure?

Mr WYNNE: Thanks, Mr Limbrick. In part this is about being able to track people through the system. People who find themselves homeless—this is not some lifestyle choice that people make. I mean, they find

themselves homeless for a whole range of reasons, and we are particularly interested to understand the dynamics of their homelessness. I mean, what drove them into homelessness? Was it drugs and alcohol? Was it mental health? Was it family violence? What were the dynamics that found people in this circumstance? Obviously the data analytical work is important because it is about understanding how people have interacted with the broader government service delivery program. On so many occasions, as I am sure you are aware, homeless people find themselves in our casualty departments. These are very significant issues of management, particularly of people are suffering with a range of challenging behaviours. I point you particularly to places like just across the road at St Vincent's Hospital, which of course runs a very significant casualty but also has done specific work particularly in relation to managing homeless community members as well. So that is what that work is about, and it will seek to inform our future interventions, because if you do not understand the nature of how people are interacting with the system, you cannot necessarily provide an informed intervention.

Mr LIMBRICK: Thank you. So I take it that this is like a data warehouse, I suppose, of getting data from many different systems to find those insights. It does seem like a very large investment. These sorts of projects—I have worked on many of them myself—are notorious for cost overruns and not delivering what they expect and all these sorts of things. How are you going to manage this so that it actually delivers these insights that you would expect for \$11 million or, alternatively, does not go over budget?

Mr WYNNE: Sure. And I imagine, Mr Limbrick, you do support the notion of data analysis and trying to understand the dynamics around this. It is an important question. Eleven million dollars is a significant amount of money, but I think it is money that is wisely invested. Because if you think about the investment that we are making in terms of the hotels, we want to ensure that—and we are the only state in Australia that is actually doing the rough sleeping and homeless support in hotels and then triaging people and getting them in a pathway towards permanent housing. I mean, part of what this conversation is about is really assessing that innovative program, which, by the way, is attracting attention, I must say, not only nationally but indeed internationally. Our friends in Scotland and Ireland are really interested in what this intervention looks like and how it is actually performing. Because clearly, I mean, homelessness knows no boundaries. We are proud of the work that we are doing, but it is extremely challenging work, because people do of course find themselves in the tragic circumstance of homelessness for a multiplicity of reasons.

Mr LIMBRICK: Thank you. Just following on from that and from something that Mr O'Brien said before about how we noticed that homeless people basically disappeared from the city and then have noticeably had a large increase recently—you notice just by walking around—what are we doing to address that?

Mr WYNNE: Well, we have got assertive outreach out there, obviously, as I indicated. So we have had 2700 individuals living in hotels. That was from November of last year. 709 have already exited, 609 are still in hotels and moving towards alternative pathways of housing. So it is a challenging program, but it is one that is an important program. People have cycled in and out of the hotels, and that is true, and that is why the assertive outreach is coming in behind it as well.

Mr LIMBRICK: Thank you.

The CHAIR: Thank you. Ms Taylor.

Ms TAYLOR: Thank you, Minister and department officials. I think it is probably very helpful for the committee to further unpack this issue of homelessness. Can I refer you to budget paper 3, page 46. Can you outline the funded services and how this investment is contributing to addressing homelessness in Victoria?

Mr WYNNE: Thank you very much for the question. So there are a number of elements to this, apart from what I have just indicated there to Mr Limbrick around our hotel intervention. Private rental assistance is incredibly important in this as a really very, very significant initiative of the government. We are investing \$110 million in the program of private rental assistance. It provides flexible funds that allow agencies—our housing support agencies—to intervene early to save a tenancy at risk or to prevent long-term homelessness by getting a household back into private rental housing quickly. This year it will help 7000 people, which is fantastic.

As I indicated in my presentation, we are also extending the Aboriginal private rental access program as well so that we have a specialist service to address the additional challenges that Aboriginal Victorians face in accessing the private rental market. We have also invested \$7.4 million in the Kangan Education First Youth

Foyer, and I do want to call out the former Minister for Housing, Wendy Lovell, at this point. She actually piloted the first youth foyer project, and I call her out for that. It is a terrific project because it links housing with education on a TAFE site. It has been independently assessed, and it has been an incredibly useful and valuable intervention, particularly for young people between the ages of 16 and 24. We are looking at opportunities to do more in that space, and I am hoping that we will have some announcements for a couple of other youth foyers going forward.

We have also invested \$11 million in accommodation and support for young people leaving out-of-home care and youth justice. And as I am sure members of this committee know, if a young person is leaving the care of the state or in fact youth justice, the most important thing that you can do is get them accommodation. So many people are leaving—or worse, cannot leave because they cannot find suitable accommodation—and obviously we need to continue to support young people in that endeavour. It is the same with people leaving prisons as well—a \$5.5 million package clearly to prevent homelessness and recidivism.

Finally, the Homelessness and Rough Sleeping Action Plan—even when we intervene early and intervene at the right time people can obviously continue to slip through the cracks and keep cycling through the system, as I indicated to Mr Limbrick before. That is why we have invested \$47 million to extend the Homelessness and Rough Sleeping Action Plan. It includes obviously outreach—quite assertive outreach—to rough sleepers and ongoing support to help them into longer term housing. As we indicated, the \$10 million, as Mr Limbrick has indicated, is for the data collection program. That is probably it in relation to that question.

Ms TAYLOR: Excellent. Thank you. Can I now refer you to budget paper 3, page 207, ‘Performance measures’, looking at waiting times for clients who have a priority transfer. Are there any programs the government has put in place to help expedite transfers to help minimise the risk of the spread of the coronavirus?

Mr WYNNE: Sorry, I just missed that last bit.

Ms TAYLOR: Just if there are programs the government has put in place to help expedite transfers of overcrowded households to help minimise the risk of the spread of coronavirus.

Mr WYNNE: Yes, well, we have actually been thankfully very successful in ensuring that through the intervention—that had us ensure that people who were most vulnerable did not contract coronavirus, which has been an important initiative of the government.

Ms TAYLOR: Thank you.

The CHAIR: Thank you, Ms Taylor. Thank you, Minister. Mr Newbury.

Mr NEWBURY: Thank you. Minister, you spoke earlier about the Brighton and the Bangs Street redevelopments. I do not know, Mr Rimmer, if that falls within your responsibilities.

Mr WYNNE: Yes, it does.

Mr RIMMER: Yes, it does.

Mr NEWBURY: How many of the redevelopment projects have community committees set up—which are, from the department’s website, an important way for local community members to be involved and engaged in the process?

Mr RIMMER: Thank you, Mr Newbury. I believe most if not all of the large projects do have a community consultative committee, and I believe that Brighton has one.

Mr NEWBURY: So you are saying all of them in fact do, and all of them have chairs—was the decision on who chairs those committees a departmental decision?

Mr RIMMER: I cannot recall that, Mr Newbury—that was made before I was in the role—but I do not know whether one of my colleagues can help me with that. I do not think we have that information right here.

Mr NEWBURY: Okay. Do you mind taking that on notice?

Mr RIMMER: Sure.

Mr NEWBURY: And also providing perhaps a list of who are the chairs of the committees?

The CHAIR: Mr Newbury, I would remind you to keep your questions to the 2021–22 budget estimates, please.

Mr NEWBURY: Absolutely. I absolutely am.

The CHAIR: If you could relate your questions for the benefit of the committee, that would be appreciated.

Mr NEWBURY: Knowing that those community committees are important local points for the community, in my case in Brighton the chair is a Labor MP who does not live in the area. What reasoning would you give for that person being the chair? Not being local and not being associated with the local community, what decision was taken in appointing them as chair?

Mr WYNNE: Well, the decision was made by the government to ensure that we had a proper process around talking to community about these important projects, and it is entirely appropriate that we choose chairs of these committees who are committed to the program of the government and the renewal program. The New Street, Brighton, project is merely one of a number that have consultative processes. I talked earlier about the Member for Wendouree, and she has been involved in the consultative committee up there on that project for three years. I mean, I think that is entirely appropriate.

Mr NEWBURY: On Bangs Street, which you referred to earlier as well, the same Labor MP is the local community representative some 7 kilometres away. Do you see that there could be a concern or a perception that it is very difficult to be the local community appointee when you are effectively a political appointment?

Mr WYNNE: Well, you are a politician, clearly, and I do not think that that is inappropriate at all. I mean, certainly in—

Mr NEWBURY: Well, you cannot be local at both projects, can you?

Mr WYNNE: Whether you are local or not, I am not sure that is particularly relevant. It depends on how you seek—

Mr NEWBURY: Only on the measure provided on the government's website.

Mr WYNNE: Well, it depends on how you seek to engage with the community in a meaningful way. And I am completely satisfied that all of the people that have been chosen to chair these committees are, one, committed to the government's policy and, two, committed to proper and meaningful consultation.

Mr NEWBURY: Mr Rimmer, newsletters were sent out to the local community to update them on the project. Are you aware of those newsletters?

Mr RIMMER: In broad terms, yes, Mr Newbury.

Mr NEWBURY: Do you know, roughly, how many houses they go to in the area—500 houses, 1000 houses?

Mr RIMMER: I cannot tell you the exact answer to that. I know that we draw a vector on the map—

Mr NEWBURY: Several hundred houses, perhaps?

Mr RIMMER: Something like that.

Mr WYNNE: At least.

Mr RIMMER: More than that, I am sure.

Mr NEWBURY: Yes. Does the department draft those newsletters?

Mr RIMMER: The department does draft those newsletters.

Mr NEWBURY: Can you see, going back to my original question, why there would be concern when the back cover of the newsletter is a glossy promotion of the Labor MP?

Mr RIMMER: I am not sure I would agree with that characterisation, Mr Newbury.

Mr NEWBURY: How would you describe the whole back page with glossy photos and background to that Labor MP?

Mr RIMMER: I would describe the newsletter as reflecting the implementation of a government program. The government has chosen, in this case, Ms Taylor as the chair of the consultative committee.

Mr NEWBURY: Sent out to hundreds of local homes to promote the Labor MP.

Mr RIMMER: Again, Mr Newbury, I reject that characterisation. There is nothing improper about—

Mr NEWBURY: Well, how would you describe it?

The CHAIR: Thank you, Mr Newbury. Your time has expired. Mr Richardson.

Mr RICHARDSON: Thank you, Chair. Thank you, Minister, for joining us, and department representatives.

Mr WYNNE: I have not seen the photo. It looks pretty good though.

Mr NEWBURY: You promoted her well then?

The CHAIR: Mr Newbury, you are out of order.

Mr NEWBURY: When he holds up as a prop.

Mr D O'BRIEN: So is the minister.

Mr NEWBURY: I think the minister just agreed that it is a good promotional.

The CHAIR: Mr Newbury, you are out of order. Mr Richardson has the call.

Mr RICHARDSON: Thank you, Chair. Minister, I want to take you back—I think you only had 10 seconds to elaborate more on those performance measures at budget paper 3, page 207, in particular the waiting times for clients who have a priority transfer. Are there any programs the government has put in place to help expedite transfers of overcrowded households to help minimise the risk of the spread of coronavirus?

Mr WYNNE: Yes. Thanks very much, Mr Richardson. Last year in the thick of the pandemic the government announced it would invest nearly \$32 million over two years to give up to 420 households living in public housing high-rise towers the chance to relocate into lower density housing. We obviously had to reduce the risk of the spread of the virus in high-risk settings, and it was offered to those living in overcrowded conditions and those with medical conditions that made them more vulnerable to the virus. The program was entirely voluntary, and as at 25 May 2021—that is last month—260 households have chosen to participate in the program. I am pleased to say 139 have been relocated. Ten of those relocations were through standard Victorian Housing Register transfer processes, so not inside the actual program but still what I would regard as a very satisfactory outcome. A further 42 households have accepted a property and will be moving into their new homes very shortly. In total, 180 of the 260 participating households have been provided a temporary home while awaiting more suitable homes to their needs through the private market. And the department has assessed close to 750 properties, of which 178 were deemed to be appropriate.

Why is this important? It is important because we understood, particularly out of the intervention we had to make at Flemington and North Melbourne, that we were well aware that we had some very large families living in those properties. And that was deemed to be an acute concern. That is why we have made this investment, and I am pleased to say that there has been a significant pick-up within the program itself. For some people it has been a bit of a transition. We have put people into rental accommodation at the moment because we do not

have stock of four- or five-bedroom properties easily on hand, but through the Big Build we will be seeking to address some of those concerns obviously.

So it has been quite a challenge, but we are also looking at innovative opportunities as well—particularly, for instance, having perhaps a three-bedroom property with a moveable dwelling in the backyard so that you can potentially have a larger family housed across the two properties. So we are looking at innovative solutions to that. It would be fair to say, Mr Richardson, it has been quite challenging, but I think it has really achieved its outcome in terms of ensuring that we do really seek to address what was quite an acute health problem that we, as I am sure the committee was well aware, had to address last year through the middle of the COVID crisis.

Mr RICHARDSON: Going to the topic of long-term housing, Minister, what options are being provided to households for whom a suitable private rental property could not be identified, and what long-term housing options will the tenants who have been relocated have?

Mr WYNNE: Well, we are committed to finding appropriate long-term social housing for these people. And whilst the private rental phase of the program concluded at the end of May, the department continues to look at other innovative solutions, some that I have indicated here today. For all of those participants who have been able to successfully find private rental options, those leased properties are just interim measures for a period of two years, so that gives us a bit of breathing space to actually look for their longer term solution. And sometimes that is quite complex, as you know, because people have particular needs—they might be educational needs, there may be cultural needs that they have—so we are seeking to marry up their needs against the need to ensure that we have got longer term accommodation for them.

Mr RICHARDSON: Fantastic. Thank you.

The CHAIR: Thank you, Mr Richardson. Thank you, Minister. That concludes the time we have set aside for consideration of the housing portfolio with you today. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

The committee will now take a short break before resuming for consideration with you of the planning portfolio.

Witnesses withdrew.