

In Victoria however, public housing has been experiencing consistent declines in the number of homes available, investment and maintenance in existing stock. The Productivity Commission's *Report on Government Services 2019* showed that Victoria has the lowest net recurrent expenditure on social housing per person in the population, well below other states, and is declining year on year. Victoria's expenditure equates to \$82.94 per person, compared with \$173.35 in NSW – the national average in 2016-17 was \$166.93. Victoria's per person spending on social housing has also fallen each year since 2014-15, down from \$95.92 per person. Since 2016-17, Victoria has transferred more stock to the community housing sector than any other state, with the exception of South Australia.

Victoria has engaged in a sustained process of public housing stock and management transfer to the community housing sector and has been actively privatising public housing for a number of years. The Public (now Social) Housing Renewal Program is further reducing public housing by privatising 11 public housing estates across Melbourne. As a result, there are fewer public housing units in Victoria today than there were 10 years ago and the direct consequence is a much greater number of people experiencing or vulnerable to homelessness. The rolling out of the Public Housing Renewal Program is actually increasing the vulnerability of public housing tenants to homelessness, with remaining residents on some of the targeted estates recently receiving letters from the Department of imminent notices of eviction.

If evicted, public housing residents face the prospect of seeking homelessness services. The Homelessness Service System is currently experiencing an increased number of people presenting at access points for crisis accommodation and an increase in the length of time people are requiring financial support to pay for emergency accommodation, due to a lack of longer-term accommodation options.

Homelessness policy and wider public debate in Victoria is extremely limited because of its consistent focus on crisis accommodation and services. While such services are of course vitally important to take care of people in urgent need, remarkably little attention is paid to addressing the root causes of homelessness – which is a lack of housing available to people on low and very low incomes, and a lack of housing available for people at risk of falling out of the private housing system due to worsening social inequality. The fundamental cause of rising rates of homelessness and vulnerability to homelessness is a lack of widely available, good quality and well-located public housing.

A *Housing First* approach to the solution of homelessness is the best-practice policy-evidence emerging from comparable developed countries. Research in 2012⁸ on the possible application of this approach in Australia indicated this would require some significant policy, legislative and funding reforms.

Recommendations:

1. Conduct a review into the funding arrangements currently operating for public housing in Victoria;
2. Cease the Public Housing Renewal Program, and under consultation, develop a different model that retains Government ownership and management of all 11 public housing estates while investing in maintenance and upgrade without causing displacement;
3. Conduct legislative reform to ensure that all land currently used for public housing is maintained in its entirety for public housing;
4. Cease the sale of public land in Victoria and analyse the potential of existing stock of public land to be used for increasing public housing stock;
5. Investigate financing and development options for Government of Victoria to directly fund and build public housing in well-located positions across Victoria to address the housing waiting list and the current levels of homelessness;
6. Make provisions for a significantly enhanced program of supplying new and renewed public housing by Government requiring the mandatory minimum 20% inclusionary zoning for public housing and the creation of a public housing overlay in planning regulations;
7. Conduct independent academic research that investigates the causal links between public housing provision and homelessness, and the effect of displacement in renewal programs; and
8. Adopt a principle Housing First policy as the main mechanism for alleviating homelessness.

⁸ Johnson, G. et al. (2012) *Policy shift or program drift? Implementing Housing First in Australia*, AHURI Final Report No.184. Melbourne: Australian Housing and Urban Research Institute.