PER CAPITA SUBMISSION TO THE TEN-YEAR SOCIAL AND AFFORDABLE HOUSING STRATEGY FOR VICTORIA

Abigail Lewis April 2021

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About Per Capita

Per Capita is an independent progressive think tank, dedicated to fighting inequality in Australia. We work to build a new vision for Australia based on fairness, shared prosperity, community and social justice.

Our research is rigorous, evidence-based and long-term in its outlook. We consider the national challenges of the next decade rather than the next election cycle. We ask original questions and offer fresh solutions, drawing on new thinking in social science, economics and public policy.

About the author

Abigail Lewis is a Research Associate with Per Capita, providing research and editorial support to projects across our research areas. Abigail's research and policy interests include social policy, social security, social housing, and social justice. Abigail also manages Per Capita's communications, from website and social media to events and publications, focusing on outreach and engagement. Before joining Per Capita she worked as a reporter in the UK and as Communications Director for Live Below the Line, where she was nominated for a Golden Radiator Award for ethical communications.

Abigail has a BA with First Class Honours from the University of Warwick and a Master of International Relations from the University of Melbourne, where she held the Northcote Graduate Scholarship. In 2020, Abigail was awarded the RMIT Unison Scholarship and commenced as a PhD candidate within RMIT's Unison Housing Research Lab.



Introduction

After foregrounding the urgent need for largescale construction of social housing in our submission and testimony to the Inquiry into Homelessness in Victoria, Per Capita was excited and gratified to see the Victorian government announce the \$5.3 billion Big Housing Build in 2020. As our advocacy has made clear, we believe that an investment in social housing construction of that scale or more is not only desperately needed to begin to tackle the housing and homelessness crisis in this state, but also represents one of the most effective and efficient forms of economic stimulus that we could employ as we recover and rebuild from COVID-19.¹

Per Capita also welcomes the introduction of the 10-Year Strategy for Social and Affordable Housing (the 10-Year Strategy) in Victoria, and the consultative approach the Victorian government is taking to develop it. We appreciate the opportunity to make a submission in support of this consultation.

To clarify the scope of our submission slightly: while Per Capita accepts the need for, and supports the development of, more affordable housing in Victoria, our policy and advocacy focus is social housing. We will therefore mainly be discussing social housing throughout this submission. We have drawn out the questions and topics from the discussion paper that align most closely with our research work and will not address every question that the paper raised.

This submission will first raise some issues with some of the definitions and premises on which the discussion paper rests, which, if retained, will set the 10-Year Strategy up for problems. We will then move into the *Pathways* section of the paper where we will answer the question about access to and sustainment of social housing tenancies by making a series of recommendations regarding tenancy support and eviction prevention.

In the *Communities* section, we will respond to the prompt for input on "design[ing] social housing for the future" by expanding on our advocacy to date for universal design standards and recommending that any and all new social housing units are built with the age and mobility of social housing tenants in mind. Under *Growth*, we will revisit our advocacy around public housing specifically and urge the government to ensure that growth in public housing is not abandoned.

Finally, under *Partnerships*, we outline the principles of co-design and offer examples of where we have used co-design in our housing work. This section also responds to the *Engagement* and *People At The Centre* prompts in the discussion paper.

¹ See for example https://percapita.org.au/our work/per-capita-submission-to-the-inquiry-into-homelessness-in-australia/, https://percapita.org.au/our work/per-capita-submission-to-the-inquiry-into-homelessness-in-victoria/, and https://percapita.org.au/our work/home-for-good-social-housing-for-an-ageing-population/



The premise of the strategy: moving away from the 'housing continuum'

The language that is used to describe Australia's housing market, particularly when considering social and affordable housing, has developed considerably over recent years. Advocates and policy thinkers in the housing space have warned against representing the housing market as a ladder: a linear set of options from homelessness to home ownership with the goal being to 'step up' to the next housing tenure as one's circumstances improve.

Critics of using this 'housing ladder' terminology have rightly pointed out that this does not reflect the reality of most people's experiences with the housing market, which might more accurately look like a cycle of moving through homelessness, social housing, private rental, and back again, or may never come close to accessing private ownership.

The language used by government has also evolved and it is good to see that there are no references to a 'housing ladder' or to 'stepping up' in the discussion paper. However, we do want to briefly point out some problems with conceptualising the housing market as a 'housing continuum' from homelessness to home ownership, the 'pathways' model through the housing market, and the idea of social housing as a 'safety net' for those who fall through 'gaps' in the private market.

While there is language in the discussion paper's section on 'the housing continuum' to the effect that a range of factors impact people accessing the housing market and a range of housing options are therefore needed in response, the image and concept of a 'continuum' still implies a progression of housing options from the worst option – homelessness – to the best option: home ownership.

A continuum by definition is a progressing scale from one distinct end of the continuum to the other. Visualising the housing market as a 'continuum' still allows the problematic assumption to remain that a private rental tenure represents a positive progression from a social housing tenure and that it is a step towards home ownership as the best tenure of all. In reality, we know that home ownership will never be accessible for many, and that social housing tenancies can be more secure, stable, and long-term than tenancies in the private rental market.

Similarly, the conception of social housing as a 'safety net' which will and should always represent a less desirable housing tenure than private rental is problematic. Where social housing is undervalued, it is underinvested in. Social housing should not be a 'safety net' to 'catch' those who 'fall' out of the private rental market. It should be an affordable, long-term, secure housing tenure option for those whose needs are best met by a social housing tenancy rather than a private rental tenancy.

By stating repeatedly that social housing is "for people who cannot access or sustain housing in the wider market" we put the onus on those people for being unable to access or sustain private rental housing, rather than on policymakers to change the settings in the private rental (or home ownership) market that make it inaccessible or unsustainable for those people.

An alternative conceptualisation of the future housing market would be as a menu of housing tenure options, where the choice that is most appropriate for each household's needs is available to them. The social housing sector is there for those who need rent to be capped and support to maintain their tenancies. Those who want flexibility and independence rather than long-term commitment can turn to a



private rental sector that is secure and affordable. And those who would prefer to invest in a lifelong asset have access to options for home ownership. Perhaps newer, more innovative models could cater for household types currently under-served by the existing tenure mix: cohousing communities for older women, for example, or rent-to-buy schemes that offer young people the chance to rent at a fixed price while they save for their home deposit.

We would recommend that the language of the 10-year Strategy move away from the notions of a 'housing continuum' and social housing as a 'safety net' towards a more equitable presentation of housing tenures as co-existing alongside each other.

Recommendation 1

Re-conceptualise the presentation of housing tenures in the 10-Year Strategy to move away from the idea of a 'housing continuum' and towards a set of housing choices that are available and accessible based on circumstances and needs.



Pathways

In the Pathways focus area, our submission centres on the following question for public consultation:

What actions will enable people to access social housing, sustain their tenancies, and move between different housing options as their needs change?

Accessing social housing

Building more housing

In our submission to the Inquiry into Homelessness in Victoria, one of our key recommendations was that Victoria increase its commitment to social housing to at least the national average in two ways: the level of investment, and the proportion of social housing dwellings. At the time of our submission in January 2020, Victoria spent \$82.94 per person on social housing, less than half the national average, while 3.5% of dwellings in Victoria were social housing units, considerably less than the national average of 4.5%. We noted that Victoria would need to build 6,000 new social housing units per year for the next ten years to reach 4.5%.

The discussion paper notes that one of the strategy's most important challenges will be to boost social housing supply so that it moves toward the national average, which has decreased again to 4.2%, although Victoria's proportion of social housing dwellings has decreased even further to just 3.0%. However, far from providing the now more than 6,000 units per year for the next ten years to reach the national average, the Big Housing Build promises just 9,300 new dwellings over the next four years.

The level of investment required to realise a construction effort of this scale would of course be significant. However, modelling conducted for the Community Housing Industry Association and National Shelter's Social Housing Acceleration and Renovation Program (SHARP) has shown how investment in social housing at this scale would be highly efficient compared to other forms of infrastructure investment. This is because the existing conditions are ripe for investment in social housing: short lead times, an industry that has the current capacity to deliver, and standard products unaffected by the material shortages associated with COVID-19.² If the government expedited its audits of surplus or under-utilised public land that might be available for social housing construction, the speed with which Victorians would see returns on such an investment could be even faster.

Furthermore, the modelling has shown that investing in social housing would also be highly effective as a stimulus measure, with a four-year build of 30,000 social housing units projected to support an average of 18,000 jobs each year.³ The onsite jobs alone would be a welcome boost to a construction industry heavily impacted by COVID-19, but investments in social housing construction also rebound up and down the supply chain, through local and regional economies, and within the government and support services that are set up to support the incoming tenants. The modelling also notes how the improved social outcomes that result from social housing construction can further stimulate the economy: for example, because modest income workers can live closer to their jobs, families can enjoy higher security tenure and children

³ https://www.communityhousing.com.au/wp-content/uploads/2020/06/20200197-SHARP-Final-ReportSGS.pdf



² https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Full-Report-1.pdf?x59559, page 3

a more stable education, and workers' productivity increases as a result of having high quality, affordable housing.⁴

Recommendation 2

Ensure that enough social housing units are built over the next ten years to meet the national average by the end of the 10-Year Strategy.

Public housing: a key point of access

Absolutely key to the possibility of accessing social housing is the increased availability of public housing. Public housing – owned and managed by the government – sets a baseline for access and ensures a pathway out of homelessness or severe risk of homelessness for those most in need of housing assistance. Evidence both internationally and locally shows that providing good quality public housing in appropriate locations is the most effective way to keep people out of homelessness. Data from the University of Melbourne's *Journeys Home* study – the only longitudinal study in the world that tracks currently homeless populations alongside at-risk and vulnerable populations – shows that public housing is by far the strongest preventative factor against homelessness, finding that "...the magnitude of its effect was many times greater than anything else," including community housing.⁵

Over recent decades the Victorian government, like other state and territory governments, the federal government, and national governments overseas have all moved away from provision of public housing towards provision of community housing managed by not-for-profit community housing providers (CHPs). It appears clear from the discussion paper that the intention for the 10-Year Strategy is to continue down this path; the paper declares that "community housing providers will play a central role in delivering growth...the public housing system will remain a central part of the system, maintaining its current stock levels" (emphasis added).⁶ Growth in the community housing sector over the next ten years would be a good thing; community housing is an important component of a robust housing sector, and all growth in affordable housing is to be welcomed. However, the growth of the community housing sector at the expense of the public housing sector is problematic for access.

This is because the financial model underpinning community housing creates perverse incentives, in which CHPs are discouraged from housing the poorest tenants or those most at risk of homelessness. CHPs are private, not-for-profit entities and, as such, are required to remain solvent. As rent is usually calculated as a proportion of household income, the requirement to maintain an adequate revenue stream limits the proportion of people reliant on government income support – those most at risk of homelessness – that CHPs are able to accommodate without risking their financial viability. Public housing tenants' associations and advocacy groups have also submitted evidence of CHPs "cherry-picking" tenants who

⁷https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Submissions/S168 - <u>Vic Public Tenants Association.pdf</u>, page 10



⁴ Ibid, page vi

⁵https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Transcripts and Q ONs/1. FINAL-HOMELESSNESS-Guy Johnson.pdf and see also

https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Transcripts and QO Ns/Johnson Parl Inquiry Nov 2019.pdf

⁶ https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.vicengage.files/7216/1275/1586/2006743 Q sector discussion paper WEB.pdf, page 23

are more "desirable", or easier to manage.⁸ The profit motive, combined with looser allocation rules for CHPs, has ensured "...an inevitable drift to tenancies that ensure housing associations can remain financially viable." For example, Melbourne City Mission's submission to the Inquiry into Homelessness in Victoria related reports the organisation had received from the community housing sector that young people will struggle to access community housing because the lower payment rate of the Youth Allowance makes them financially unviable as tenants.¹⁰

For these reasons, any government wishing to expand access to social housing for those most in need of housing support should ensure that investment in public housing continues, and that growth in community housing does not displace public housing availability. We strongly encourage the Victorian government to prioritise investment in public housing as part of the 10-Year Strategy (see Recommendations 7 and 8).

Sustaining tenancies

The bibingka approach

In offering our recommendations for enabling tenants to sustain their tenancies in social housing, we will be referring to a social development concept known as the 'bibingka approach'. Bibingka is a Filipino sweet rice cake delicacy cooked in a clay pot that is heated by coals from both above and below. This unique way of cooking has given rise to the use of 'the bibingka approach' to describe social development solutions that involve both bottom-up and top-down processes. In the Philippines the concept has mostly been used in analyses of land rights policy and participatory budgeting.¹¹

Successful tenancies can be looked at in a similar way: as requiring support mechanisms and sustainment measures from both 'above' and 'below'. From 'above', we can look at reforming the legislation and guidelines around eviction so that tenancy sustainment is supported as best as possible by Victoria's policy framework. From 'below', we can consider tenancy support programs that help tenants who are struggling to maintain their tenancies access the services they need to do so. By using this approach, we are not simply placing all of the responsibility for improving tenancy sustainment rates on social housing tenants themselves, who we know often have high and complex needs and whom we expect to need support in maintaining a tenancy, but also acknowledging that the government has a responsibility to ensure its tenancy legislation is geared as strongly as possible towards supporting the maintenance of long-term, secure tenancies in social housing.

¹¹ See: Franco, J. C. (2008). Making land rights accessible: Social movements and political-legal innovation in the rural Philippines. *The Journal of Development Studies*, 44(7), 991-1022. See also: Maravilla, G. A. R., & Grayman, J. H. (2020). Understanding participatory budgeting through formal and informal processes of inclusion: a case study in the Philippines. *Development in Practice*, 30(4), 448-458.



⁸ Ibid, see also

https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Submissions/S244 - Friends of Public Housing Victoria.pdf and

 $[\]frac{\text{https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry\ into\ Homelessness\ in\ Victoria/Transcripts\ and\ QO}{\text{Ns/1. FINAL-HOMELESSNESS-Guy\ Johnson.pdf}}$

⁹https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Transcripts and Q ONs/1. FINAL-HOMELESSNESS-Guy Johnson.pdf

 $^{^{10}\, \}underline{\text{https://www.mcm.org.au/-/media/mcm/content-repository-files/submission-to-the-inquiry-into-homelessness-in-victoria.pdf},\\ page 24$

Eviction prevention

The number of people being evicted into homelessness has more than doubled over the past five years.¹² Many thousands of these are social housing tenants: although there is no data collected on eviction from community housing, data provided by the Victorian Civil and Administrative Tribunal (VCAT) indicates that the Department is applying to terminate public housing tenancies at 2.7 times the rate of other landlords.¹³ In New South Wales, where data is available for community housing as well, the Department applies for termination at twice the rate, and community housing landlords at four times the rate, of non-social housing landlords.¹⁴ The vast majority of these evictions are initiated because the tenant has fallen into rental arrears, with a small minority related to nuisance, damage, or crime.¹⁵

It is highly likely that an eviction from social housing is an eviction into homelessness. ¹⁶ For this reason, the Victorian government should make absolutely sure that, if eviction from social housing is ever necessary, the action is taken as an absolute last resort. One way to ensure this is to bolster legislative protections for social housing tenants at risk of eviction. This was recognised by the Victorian Parliament's final report of its recent Inquiry into Homelessness in Victoria, which made a number of recommendations relevant to eviction protection: for compliance orders issued by VCAT to be time limited where appropriate, to include information about legal rights and details and legal assistance services on a Notice to Vacate, and to provide additional funding for tenancy-focused legal supports for tenants. If implemented, these policy changes would have particular impact for social housing tenants who are under-represented at VCAT and can be 'followed' by compliance orders dating from particularly unstable times in their tenancy. The final report also made a number of recommendations specific to social housing: to include a right to housing in the Charter of Human Rights and Responsibilities Act 2006 (Vic) and then to recognise community housing providers as public authorities for the purposes of the Charter, and to provide VCAT with jurisdiction to consider the Charter when ruling on eviction decisions for tenants in social housing. ¹⁷ We support all of these recommendations.

Recommendation 3

Implement Recommendations 25, 26, 27, 32, 33, and 34 from the final report of the Inquiry into Homelessness in Victoria.

A further option we would ask the Victorian government to consider would be to introduce a list of preaction requirements for social housing landlords to complete before they can begin an eviction action for rental arrears. A model for this policy would be Scotland's pre-action checklist, which requires social landlords to offer help and advice regarding housing benefit or other forms of financial help, help with debt management, and try to agree a payment plan with tenants in rental arrears before they can initiate

¹⁷https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Report/LCLSIC 59-06 Homelessness in Vic Final report.pdf, page 199-200



¹² https://chp.org.au/evictions-homelessness-double-rents-soar/

¹³ https://www.ahuri.edu.au/ data/assets/pdf file/0018/42147/AHURI-Final-Report-314-Social-housing-legal-responses-to-crime-and-anti-social-behaviour-impacts-on-vulnerable-families.pdf, page 11

¹⁴ Ibid.

¹⁵ Ibid, Table 2

¹⁶ Ibid, page 56

an eviction action for rent arrears.¹⁸ In the first year after the pre-action checklist was introduced, evictions in Scotland fell by 33% and court orders for possession fell by 20%.¹⁹

Recommendation 4

Consider the introduction of a pre-action checklist for social landlords to complete before they can begin an eviction action.

Tenancy support

A number of Australian studies have focused on tenancy sustainment in social housing, building a useful evidence base from which we can draw recommendations for funding programs. The following characteristics of tenancy support programs have been found to be successful in helping social housing tenants maintain their tenancies:

- Early identification of need, pro-active intervention, and intensive case management²⁰
- Linking housing and other human services, such as mental health support²¹
- Holistic, wrap-around support for a wide set of needs²²
- Culturally competent support workers²³
- Services that are not time-limited²⁴

In Victoria, this kind of support has been provided to public housing tenants through the Tenancy Plus program, previously called the Social Housing Advocacy and Support Program (SHASP). Both the SHASP and Tenancy Plus have strong records in intervening early where public housing tenancies are at risk, providing specialised support, and preventing avoidable exits from public housing. It was calculated that SHASP cost \$1,958 per client per year, while the cost of a tenant being evicted and entering the homelessness support system or crisis/transitional accommodation was estimated by DHS at the time to



¹⁸ https://scotland.shelter.org.uk/housing advice/eviction/eviction from council housing association or coop accommodation and temporary accommodation

¹⁹ https://justiceconnect.org.au/wp-content/uploads/2018/08/Winston-Churchill-Memorial-Trust-of-Australia-report-by-Chris-Povey-Pl... 0.pdf, page 34

²⁰ Jones, A., McAuliffe, D., Reddel, T., Marston, G., & Thompson, A. (2003). Sustaining tenancies in public housing: understanding and supporting tenancies-at-risk. Paper presented at the Housing Futures: National Housing Conference, Adelaide; Habibis, D., Atkinson, R., Dunbar, T., Goss, D., Easthope, H., & Maginn, P. (2007). A sustaining tenancies approach to managing demanding behaviour in public housing: a good practice guide (AHURI Final Report No. 103). Retrieved from https://www.ahuri.edu.au/research/final-reports/103; Dineen, M., Probyn, Z., & Rayner, M. (2014). When public housing tenancy is at risk. Parity, 27(4), 43-45; Zaretzky, K., & Flatau, P. (2015). The cost effectiveness of Australian tenancy support programs for formerly homeless people. Retrieved from https://www.ahuri.edu.au/research/final-reports/252; Slatter, M., & Baulderstone, J. (2015). Avoiding Evictions: Developing a practice of Co-Operative Professionalism. Retrieved from

 $[\]frac{\text{https://www.researchgate.net/publication/255009521\ Avoiding\ Evictions\ Developing\ a\ practice\ of\ CoOperative\ Professionalis\ }{\underline{m}}$

²¹ Seelig, T., & Jones, A. (2004). Sustaining Tenancies in Public Housing: Motives, Issues and Options. *Parity, 2*(2), 21-22.

²² Flatau, P., Coleman, A., Memmott, P., Baulderstone, J., & Slatter, M. (2009). *Sustaining at-risk Indigenous tenancies: a review of Australian policy responses* (AHURI Final Report No. 138). Retrieved from https://www.ahuri.edu.au/research/final-reports/138; Dineen et al. (2014); Zaretzky & Flatau (2015); Slatter & Baulderstone (2015)

²³ Flatau et al. (2009)

²⁴ Slatter & Baulderstone (2015)

be \$34,000.25 Data from the SHASP program also showed that the vast majority of SHASP clients maintained their tenancy (60%) or were still working with SHASP (18%), while just 2% were evicted.²⁶

As a result of these promising evaluations, in 2017 SHASP was allocated more funding and renamed Tenancy Plus, with eligibility now extended to community housing tenants on the Victorian Housing Register. However, as multiple submissions to the Inquiry into Homelessness in Victoria mentioned, Tenancy Plus still needs more funding. Current challenges faced by Tenancy Plus include:

- Long waiting lists, with tenants losing their tenancies prior to being assigned a case worker
- Time-limited support, when some tenants have longer-term issues that can't be solved in a short case management period (for example, hoarding)
- Extra, longer-term, more intensive case management support is needed in community housing, such as that which is offered by the Support for High Risk Tenancies (SfHRT) program - but the SfHRT program is generally only available to public housing tenants

Programs like Tenancy Plus and SfHRT are proven to be effective at sustaining tenancies and also cost efficient, saving the government money in the long run as tenants stay in secure housing and do not enter expensive systems like homelessness services, transitional accommodation, or crisis accommodation. We strongly recommend that the Victorian government increase funding and expand access to Tenancy Plus or Tenancy Plus-type programs in order to achieve its goal of tenancy sustainment.

Recommendation 5

Increase funding and expand access to Tenancy Plus and other similar programs in order to resource the social housing sector to support tenancy sustainment.

²⁶ Ibid., page 12; Dineen et al. (2014)



²⁵ https://lmhn.net.au/wp-content/uploads/2015/09/SHASPSupportthatworks.pdf, page 4

Communities

In the Communities focus area, we centre our attention on the following actions for public consultation:

Enabling tenants to live in housing that is built for the future

Design social housing for the future, including buildings that are environmentally sustainable and can be adapted to the needs of different people and households

First, we discuss how the social housing tenants of the future are likely to have significantly more mobility and access issues than the social housing tenants of the past. This is because social housing tenants are ageing and are also becoming more likely to be living with disability. We then recommend universal design standards for all new social housing units as a solution to this demographic challenge.

Social housing tenants of the future

Social housing tenants are ageing. Around a third are over 55, and 14% are over 75.²⁷ Many of these tenants will remain in social housing into the future as workforce participation barriers for older people mean they are unlikely to be able to re-enter the workforce in any substantial way and there are few affordable options for older people in the private market.²⁸ Furthermore, the proportion of older people newly accessing social housing is likely to increase into the future as older people, particularly older women, have become one of the fastest-growing groups of people experiencing homelessness in Australia.²⁹

Two in five, or 40%, of social households also include a tenant living with disability.³⁰ This over-representation of people with disability in social housing has two main explanatory factors. Firstly, people with disability in Australia are often faced with challenges meeting the costs of accessing or maintaining housing that is appropriate for their needs. They face significantly higher risk of poverty than people without disability and may also require adaptable or accessible properties; there are very few properties available in the private rental market that are affordable for a person living on the Disability Support Pension, even if they also receive Commonwealth Rent Assistance, and even fewer that are appropriately accessible.³¹ As a result, people with disability are high users of housing assistance including social housing, rental assistance, and homelessness services.³² Secondly, deinstitutionalisation – the closure of the large, state-run institutions that had previously housed people with disabilities – increased the demand

³² https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/housing/housing-assistance



²⁷ https://www.aihw.gov.au/reports/hou/320/housing-assistance-in-australia-2020/contents/occupants-and-households

²⁸ https://www.oldertenants.org.au/publications/older-persons-housing-fact-sheet;

https://www.pc.gov.au/research/completed/housing-decisions-older-australians/housing-decisions-olderaustralians.pdf

²⁹ Australian Homelessness Monitor 2020: https://data.launchhousing.org.au/app/uploads/2020/10/Australian-Homelessness-Monitor-2020.pdf; see also

https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Inquiry into Homelessness in Victoria/Submissions/S130 - Housing for Aged Action.pdf

³⁰ https://www.aihw.gov.au/reports/hou/320/housing-assistance-in-australia-2020/contents/occupants-and-households

³¹ https://vcoss.org.au/wp-content/uploads/2017/07/SUB170501 Protecting-tenancy-rights-in-specialist-housing.pdf, page 26; https://www.ahuri.edu.au/ data/assets/pdf file/0019/5761/AHURI Final Report No258 NDIS,-housing-assistance-and-choice-and-control-for-people-with-disability.pdf, page 17

for housing appropriate for people with disabilities in the community; demand which was not met in the private market and thereby changed the demographics of social housing.³³

While it is harder to predict whether this proportion will increase into the future, at present there is little prospect that it will decrease. When the National Disability Insurance Scheme (NDIS) is fully rolled out, the National Disability Insurance Agency (NDIA) anticipates that funding for Specialist Disability Accommodation (SDA) will be available for 28,000 participants, leaving more than 430,000 participants without any funding for housing, 33,200 of whom have been identified as having very high support needs and are likely to require SDA in the future.³⁴ Meeting those future needs does not look likely to happen any time soon given that there are still significantly fewer SDA places than even the 28,000 promised. 2018 modelling by SGS Economic Planning found there were a shortfall of 10,680 places requiring an increase in supply of 60%;³⁵ updated 2020 modelling by Social Ventures estimated that shortfall to still be 7,750 places requiring an increase in supply of 44%.³⁶

Universal design

Under the Convention on the Rights of Persons with Disabilities, the government has a legal obligation to ensure that people with disabilities have equal access to social housing. However, at present, social housing stock caters poorly for both tenants with disabilities and older tenants, who are often unable to live in available units due to accessibility issues or the health and mobility issues associated with poorly designed and maintained housing, and therefore must remain on the waiting list.³⁷ To rectify this and ensure that new social housing units are appropriate for the people that will live there, all new stock should conform to universal design standards.

Universal design, as originally conceived by the Center for Universal Design (CUD) at North Carolina State University, is "the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialised design".³⁸ It has seven guiding principles:

- 1. Equitable use: the design is useful and marketable to people with diverse abilities.
- 2. Flexibility in use: the design accommodates a wide range of individual preferences and abilities
- 3. Simple and intuitive use: Use of the design is easy to understand, regardless of the user's experience, knowledge, language skills, or current concentration level.
- 4. Perceptible information: The design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities.
- 5. Tolerance for error: The design minimizes hazards and the adverse consequences of accidental or unintended actions.
- 6. Low physical effort: The design can be used efficiently and comfortably and with a minimum of fatigue.
- 7. Size and space for approach and use: Appropriate size and space is provided for approach, reach, manipulation, and use regardless of user's body size, posture, or mobility.

³⁸ https://projects.ncsu.edu/ncsu/design/cud/about_ud/udprinciplestext.htm



³³ https://sustainable.unimelb.edu.au/ data/assets/pdf file/0008/2740688/MSSI-IssuesPaper-9 NDIS 2017.pdf

³⁴ https://vcoss.org.au/wp-content/uploads/2017/07/SUB170501 Protecting-tenancy-rights-in-specialist-housing.pdf, page 26; https://theconversation.com/ndis-needs-the-market-to-help-make-up-at-least-60-shortfall-in-specialist-disability-housing-93479

³⁵ https://www.summerfoundation.org.au/wp-content/uploads/2018/03/sda-market-insights-web-2.pdf

³⁶ https://www.socialventures.com.au/assets/Specialist-Disability-Accommodation-Supply-in-Australia-March-2020-webres.pdf

³⁷ https://percapita.org.au/wp-content/uploads/2020/05/HfG3 social-housing-brief FINAL2.pdf

Examples of how universal design principles could be applied to social housing include single-level housing with stepless entrances, wide doorways for wheelchair access, worktops at different heights, walkin showers, switches and controls that are easy-touch or hands-free and at a reachable height, non-slip floor surfaces, and so on. One might even imagine 'smart' units that are modular and adaptable, with moveable walls and ceilings able to hold a hoist.³⁹ It is also important to note that the unsuitability of social housing stock is not limited to issues around mobility; for example, some people with cognitive disabilities are unable to live in high-density accommodation, while those with sensory disabilities may be excluded by the location or environment of available stock.⁴⁰

Victoria has shown that it can be a leader in future-proofing social housing by committing to seven-star energy standards in all new stock to be constructed as part of the Big Housing Build. The Victorian government could go even further by committing to implementing universal design standards in all new builds as well. We recommend that all new social housing stock conform to universal design principles and also that the government ensures all new stock is also age- and disability-friendly in terms of its location and built form as well as its design.

Recommendation 6

Ensure that all new social housing stock conforms to universal design principles and is age- and disability-friendly in terms of its location and built form.

⁴⁰ https://www.ahuri.edu.au/ data/assets/pdf file/0007/3103/AHURI Research Paper The-housing-careers-of-people-with-adisability-and-carers-of-people-with-adisability-pdf



³⁹ http://universaldesign.ie/Web-Content-/Homes-for-Smart-Ageing-Universal-Design-Challenge-PDF.pdf

Growth

In the Growth focus area, we focus on the following question for public consultation:

What do we need to do to ensure housing supply meets the needs of people with specific support and housing needs?

Tenants in the social housing sector have a wide variety of support and housing needs. Earlier in this submission we described how those with the highest and/or most complex needs can find it more difficult to access the social housing sector, particularly when availability of publicly funded and managed housing is low. Here we argue that the importance of public housing extends beyond the access point and that growth in public housing (i.e. housing that is funded and managed – not just owned – by the state government) must not be abandoned.

Why grow public housing?

In addition to public housing's importance as an access point, publicly funded and managed housing represents an essential component of our social housing sector. Public housing is the only tenure that offers long-term, affordable, secure leases to the households most at need and most at risk of homelessness; public leases can offer the security of tenure only otherwise available to homeowners.⁴¹ Security of tenure in community housing tends to be weaker, possibly because their financial model makes them more dependent on rental revenue and therefore less tolerant of arrears or other tenancy issues.⁴²

Public housing is also more affordable than community housing, with rent capped at 25% of household income. Community housing providers can charge up to 30% of household income despite the fact that paying 30% of income in rent classifies a household as being in rental stress. Community housing tenants are eligible for Commonwealth Rent Assistance and are obliged to claim it and pass it on to their landlord in its entirety.

Calculations by the Victorian Public Tenants Association, reproduced in Table 1 overleaf, have shown how a range of low-income households that would likely face vulnerability in the housing market would find public housing a more affordable option than community housing. With all of these households likely to be in significant rental stress in community housing, making public housing available for them would likely also save community housing providers costs in pursuing rental arrears and evictions.

In Table 1 the following abbreviations are used:

Parenting Payment Single (PPS) Energy Supplement (ES) Pension Supplement (PS) Family Tax Benefit (FTB) Disability Support Pension (DSP) JobSeeker (JS)
Youth Allowance (YA)
Commonwealth Rent Assistance (CRA)

⁴¹ Johnson G, Scutella R, Tseng Y and Wood G, 'How do housing and labour markets affect individual homelessness?', Housing Studies, 2018, https://doi.org/10.1080/02673037.2018.1520819
⁴² Ibid.



Table 1: A comparison of rental costs and rental stress levels across tenure and household types

Household	Fortnightly income	Fortnightly public housing rent* and proportion of income	Fortnightly community housing rent A** and proportion of income	Fortnightly community housing rent B** and proportion of income	Difference per annum excluding CRA
Single parent with 5-year- old child	PPS: \$723.50 ES: \$12.00 FTB A: \$189.56 FTB B: \$161.14 Total: \$1,155.80	\$236.47	\$458.21 (\$294.12 exc. CRA)	\$417.95 per fortnight (\$253.87 exc. CRA)	This household would be \$452.40 - \$1,499.16 better off in public housing
Single parent with 10-year- old child	JS: \$662 ES: \$9.50 FTB A: \$189.56 FTB B: \$112.56 Total: \$973.62	\$200.50 22%	\$410.66 (\$241.58 exc. CRA)	\$377.06 (\$207.98 exc. CRA)	This household would be \$207.48 - \$1,081.08 better off in public housing
Single person receiving DSP	DSP: \$860.60 ES: \$14.10 PS: \$69.60 Total: \$944.30	\$218.65 23%	\$422.88 (\$283.28 exc. CRA) 45%	\$375.67 (\$236.07 exc. CRA) 40%	This household would be \$452.92 - \$1,680.38 better off in public housing
Single person, unemployed, aged 40	JS: \$615.70 ES: \$8.80 Total: \$624.50	\$156.12 25%	\$326.95 (\$187.35 exc. CRA) 52%	\$295.72 (\$156.12 exc. CRA) 47%	This household would be up to \$889.98 better off in public housing
Student with no children, aged older than 18, living alone	YA - \$462.50 ES: \$7.00 Total: \$469.50	\$117.37 25%	\$280.45 (\$140.85 exc. CRA) 60%	\$256.97 (\$117.37 exc. CRA) 55%	This household would be up to \$610.48 better off in public housing.

^{*} Public housing rent calculated as 25% of household income + 15% FTB

Source: Victorian Public Tenants Association sector briefing pack



^{**} Community housing rent A calculated as 30% of household income + 15% FTB + 100% CRA

^{***} Community housing rent B calculated as 25% of household income + 15% FTB + 100% CRA

A joint growth strategy for public and community housing

A myth prevails in Australian housing and homelessness policy that we can have public housing, or we can have community housing, but that we can't have both, and that growth in one sector threatens the other.

As we have argued in our analysis above, the growth of the community housing sector at the expense of the public housing sector means there are fewer good housing options for the tenants who are most in need of housing security and support. However, the growth of the community housing sector alongside the growth of the public housing sector would mean that Victoria could serve people with different housing and support needs while also expanding and innovating its social housing provision.

This can only be achieved with a comprehensive strategy that explicitly and specifically includes a long-term plan for growing public housing stock. In 2017, following the release of the *Homes for Victorians* strategy, the Victorian Auditor-General's Office noted that while the strategy reflected a welcome focus on growing overall social housing supply and driving a more integrated service delivery model for the community housing sector, it contained no specific targets for public housing growth or sustainability, and no overarching long-term direction for public housing was described.⁴³ This remains the case today, but the 10-Year Strategy affords an opportunity to set such a direction.

We note that there are a number of very positive developments for and commitments to public housing in both *Homes for Victorians* and the discussion paper under consideration. Not least among these is the Public Housing Renewal Program, which will make a significant improvement to the lives of public tenants while renewing and increasing public housing stock.

The implementation of a new Victorian Housing Register and the planned requirement for the community housing sector to allocate 75% of its housing to applicants in critical need are also both promising in their potential to ease some pressure on the public housing system. However, these measures need to be complemented by measures to grow the size and capacity of the system as well.

We strongly recommend that the 10-Year Strategy commits to growing publicly funded and managed housing stock at least at the same rate as community housing industry managed stock. To do so, the government should develop the overarching, long-term plan for public housing that is currently missing from the social housing equation.

This plan should set targets for growth, sustainability, and meeting demand. It should include an asset strategy, a strategy for improving property and tenant data, and a clear strategy for improving the financial sustainability of the public housing model over the long term that does not simply resort to transferring stock to community housing or postponing renewal and improvement works.

The 10-Year Strategy discussion paper describes a future where a "strong public housing system" works alongside a "larger community housing sector". Even if community housing sector is to be the "focus and driver of future growth", a strong public housing system that serves the needs of existing and future public housing tenants will require a much more detailed policy approach. The final 10-Year Strategy must include such details.

⁴³ https://www.audit.vic.gov.au/report/managing-victorias-public-housing



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Recommendation 7

Commit to growing publicly funded and managed housing stock at least at the same rate as community housing industry managed stock.

Recommendation 8

Ensure the 10-Year Strategy includes an overarching, long-term plan for public housing which set targets for growth, sustainability, and meeting demand, and includes an asset strategy, a strategy for improving property and tenant data, and a clear strategy for improving the financial sustainability of the public housing model over the long term.



Partnerships

In the Partnerships focus area, we focus on the following question for public consultation:

How do we strengthen our partnership approach to build a stronger and more effective housing system?

Over a 12-month period in 2018-2019, Per Capita conducted a co-designed social innovation research project with older women experiencing financial difficulty and housing insecurity. The final analysis, published in our report *Mutual Appreciation*, identified largescale cohousing as a model particularly well suited to addressing the 'triple threat' of housing insecurity, care needs, and social isolation that the 23 women who participated in the co-design project identified as their key housing challenge as they aged.⁴⁴

In this section we summarise the co-design process and project results, with the ultimate recommendation for the government of engaging in more co-design projects to understand housing needs, particularly with marginalised groups.

Co-design

The co-design process is not a new concept to Australian governments, having played a notable role in the development of the National Disability Insurance Scheme at the federal level and forming the core of VicHealth's Bright Futures Challenge at the Victorian level.⁴⁵

Briefly, though, co-design is a process by which problems are identified and solutions developed by and with the communities (sometimes called 'stakeholders' or 'end-users') who are experiencing the problems and will be using or delivering the solutions. ⁴⁶ Importantly, co-design should not be confused with consultation. Co-design is not merely talking to communities about their preferences for services, programs, or products, but working in collaboration with them from the start to the end of the design process including research, development, prototyping, and evaluation.⁴⁷

This prioritisation of end-users throughout the design process makes co-design a particularly useful process for developing solutions for groups whose voices and experiences are often marginalised in the policymaking process. Rather than making assumptions about what these groups need or even relying on 'knowledge' about them that may be contested, the co-design process allows them to 'own' the process and the solution. In social services, it is recognised that this kind of citizen participation in service design can lead to greater social impact.⁴⁸

Insights from Mutual Appreciation

An example of the use of co-design in housing research is the Per Capita project *Mutual Appreciation*. Generously funded by the Lord Mayor's Charitable Foundation, the project included 23 older women living in financial disadvantage or housing insecurity. All 23 women were interviewed, and women also

⁴⁸ https://www.yacwa.org.au/wp-content/uploads/2016/09/An-Introduction-to-Co-Design-by-Ingrid-Burkett.pdf



⁴⁴ https://percapita.org.au/our_work/mutual-appreciation-a-social-innovation-thinkpiece/

⁴⁵ https://www.vichealth.vic.gov.au/letter/articles/vh-letter-45-co-design

⁴⁶ https://www.vic.gov.au/co-design

⁴⁷ https://www.tacsi.org.au/unpacking-co-design/

participated in co-design workshops, visual activities, and analysis. This allowed the group to delve deeper into drivers of disadvantage, past roles and achievements, and skills and capacity. In a workshop context, the women worked together to analyse the interview data, allowing them to come to shared conclusions about their circumstances, concerns, and hopes for the future.

For example, an activity that engaged the women in 'timelining' their paid and unpaid work across the life course uncovered a causal pattern for many of the women between contributing unpaid work (outside normal patterns of primary parenting) and the disadvantage they were facing later in life in their housing or income circumstances. In the analysis phase, this idea of unpaid care work remained at the forefront of their minds, leading to the serious consideration of reciprocal care models for housing in older age such as 'timebanking', although this was ultimately not the preferred choice.

In another example, a visual activity where the women were prompted to select cards that described their identity, and the subsequent discussion, led to the realisation that many of the women defined their identities and achievements according to social relationships and frameworks. Their understanding of the importance of community as they aged and their fears of social isolation contributed to their almost mutual selection of largescale cohousing as the preferred housing tenure type to age in.

The largescale cohousing model presented to the women was based on an initiative from the United Kingdom called Older Women's Cohousing (OWCH). The OWCH community was developed by a social housing provider and comprises 26 independent accommodation units for older women; one- or two-bedroom private apartments organised around communal areas for group dining and cooking, gardening, and other social interaction and exchange. While the social housing provider continues to auspice the OWCH community, it is governed day-to-day by the residents, who control key budgets for repairs and maintenance, tenancy allocation and leases, and so on.

Whether or not a largescale cohousing model like the OWCH model could be provided within Victoria's current social housing sector requires further investigation, but the co-design process used during *Mutual Appreciation* certainly indicates that the model holds promise and is viewed very highly by a demographic group that is increasingly experiencing homelessness and housing insecurity but remains under-served by existing social housing options.

We would recommend the use of co-design as a participatory process by which the government could identify innovative models for social housing, particularly for households not well catered for by current social housing stock.

Recommendation 9

Investigate the potential for the use of a largescale cohousing model to serve older women in social housing.

Recommendation 10

Include co-design in the 10-Year Strategy as a participatory process by which the government will identify innovative models for social housing, particularly for households not well catered for by current social housing stock.



Conclusion

The COVID-19 pandemic has reinforced the paramount importance of secure, long-term housing. In an emergency, having a roof over our head is a basic need. The public health repercussions of allowing housing insecurity and homelessness in our society have been revealed to us in a glaring light.

The Victorian government has responded with an unprecedented commitment to social and affordable housing provision in the state. As a result, we are on the cusp of an opportunity to move the supply of social housing towards the national average and beyond.

Lessons from investments past have taught us that it is not just the supply, but the delivery that is crucial. In this submission we have emphasised a few elements of that delivery that will be key to a 10-Year Strategy that delivers for people in Victoria who need access to housing, now and into the future.

Firstly, we need to get the mix of public and community housing right. With public housing providing an important access point for people most in need, and representing the longest-term, most affordable, and most secure tenure, the government should ensure that both public housing and community housing stock grows. Good quality public housing in appropriate locations is the most effective way to keep people out of homelessness and must not be sidelined in the 10-Year Strategy.

Second, to ensure Victoria's social housing provision is sustainable into the future, careful attention should be paid to design and built form. Social housing units should be accessible to and useable by tenants regardless of their age, mobility, and other needs. Just as Victoria has committed to seven-star efficiency standards to ensure social housing stock is comfortable in all seasons and cheap to power, we should commit to universal design standards to ensure new homes are long-lasting and serve the needs of their tenants.

Finally, the low stock levels that have characterised Victoria's social housing sector, combined with long and growing waiting lists, mean eligibility have tightened to include only those households most at risk, with high and complex needs. This means tenants may require support to sustain their tenancies, and social housing providers must be resourced to provide that support.

Over the next ten years, we have an opportunity to make real inroads into addressing the twin crises of homelessness and housing insecurity in Victoria. Getting the strategy right will be integral to this task. We appreciate the opportunity to contribute to the strategy's formation and look forward to future consultation.



Recommendations

- 1: Re-conceptualise the presentation of housing tenures in the 10-Year Strategy to move away from the idea of a 'housing continuum' and towards a set of housing choices that are available and accessible based on circumstances and needs.
- 2: Ensure that enough social housing units are built over the next ten years to meet the national average by the end of the 10-Year Strategy.
- 3: Implement Recommendations 25, 26, 27, 32, 33, and 34 from the final report of the Inquiry into Homelessness in Victoria.
- 4: Consider the introduction of a pre-action checklist for social landlords to complete before they can begin an eviction action.
- 5: Increase funding and expand access to Tenancy Plus and other similar programs in order to resource the social housing sector to support tenancy sustainment.
- 6: Ensure that all new social housing stock conforms to universal design principles and is age- and disability-friendly in terms of its location and built form.
- 7: Commit to growing publicly funded and managed housing stock at least at the same rate as community housing industry managed stock.
- 8: Ensure the 10-Year Strategy includes an overarching, long-term plan for public housing which set targets for growth, sustainability, and meeting demand, and includes an asset strategy, a strategy for improving property and tenant data, and a clear strategy for improving the financial sustainability of the public housing model over the long term.
- 9: Investigate the potential for the use of a largescale cohousing model to serve older women in social housing.
- 10: Include co-design in the 10-Year Strategy as a participatory process by which the government will identify innovative models for social housing, particularly for households not well catered for by current social housing stock.

