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STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

**INQUIRY INTO THE PUBLIC HOUSING
RENEWAL PROGRAM**

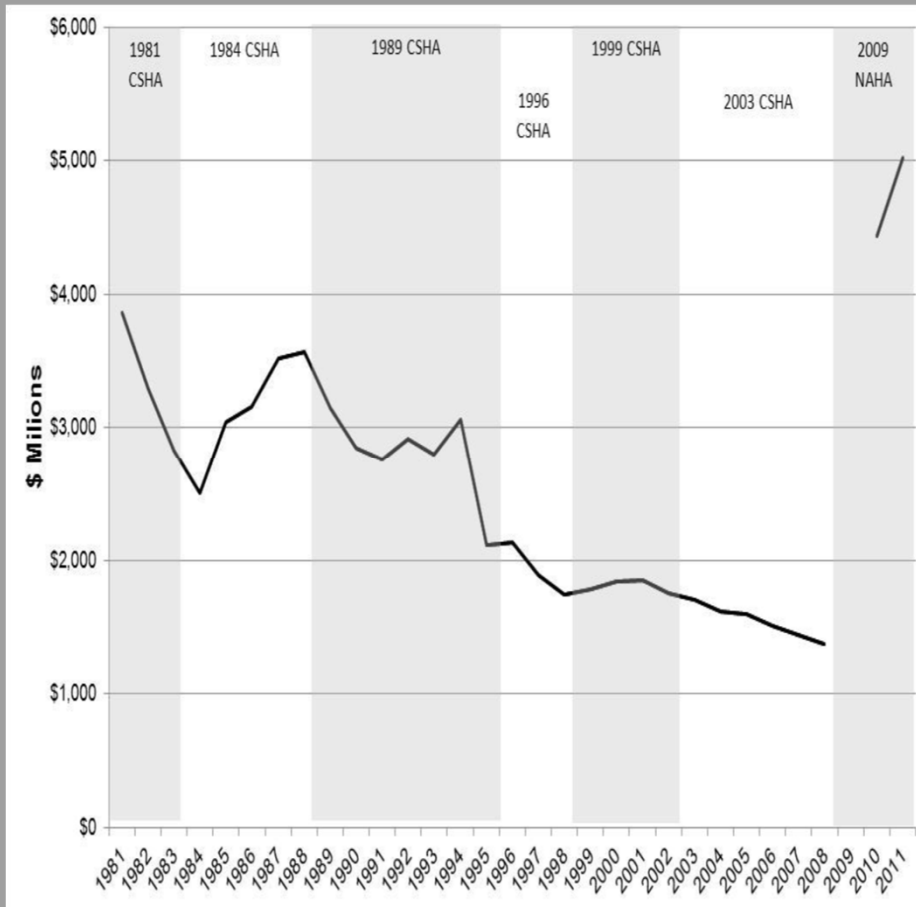
Inquiry Evidence by Salvatore Furfaro

**Supply and Need
Homelessness
Current Victorian Government Renewal Program
Examples
Recommendations**

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Supply

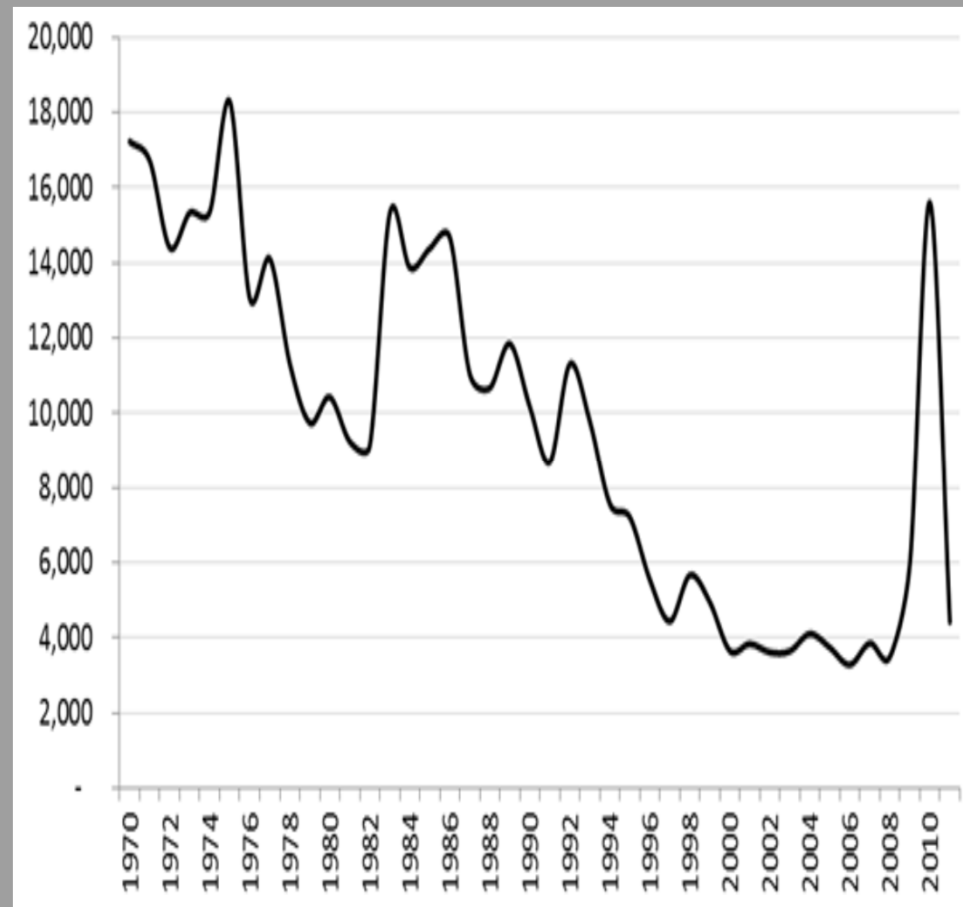
Commonwealth expenditure on housing,
 1981-2011, constant 2011 dollars



Source: Advisory Council for Inter-Government Relations
 1985, SCRGSP 2006-2013.

Taken from: Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231.
 Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/51002>>

Public sector dwelling commencements,
 Annual, Australia, 1970-2011



Source: ABS 2011, Dwelling Unit Commencements, Australia,
 Preliminary, Australian Bureau of Statistics, Canberra

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 Supply

Housing stock by type of tenure, Australia, 1981, 1996 and 2011

Census Year	Public rental	Community housing	Social housing Column 2&3	All tenures	Public rental % all	Social housing % all
1981	228,938	NA	NA	4,668,906	4.9%	NA
1996	326,898	NA	NA	6,281,817	5.2%	NA
2001	317,171	44,311	361,482	7,072,202	4.5%	5.1%
2006	304,431	50,165	354,596	7,144,096	4.3%	5.0%
2011	314,690	51,373	366,063	7,760,322	4.1%	4.8%
2016 Census data (Refer next page) and trending downward						4.2%

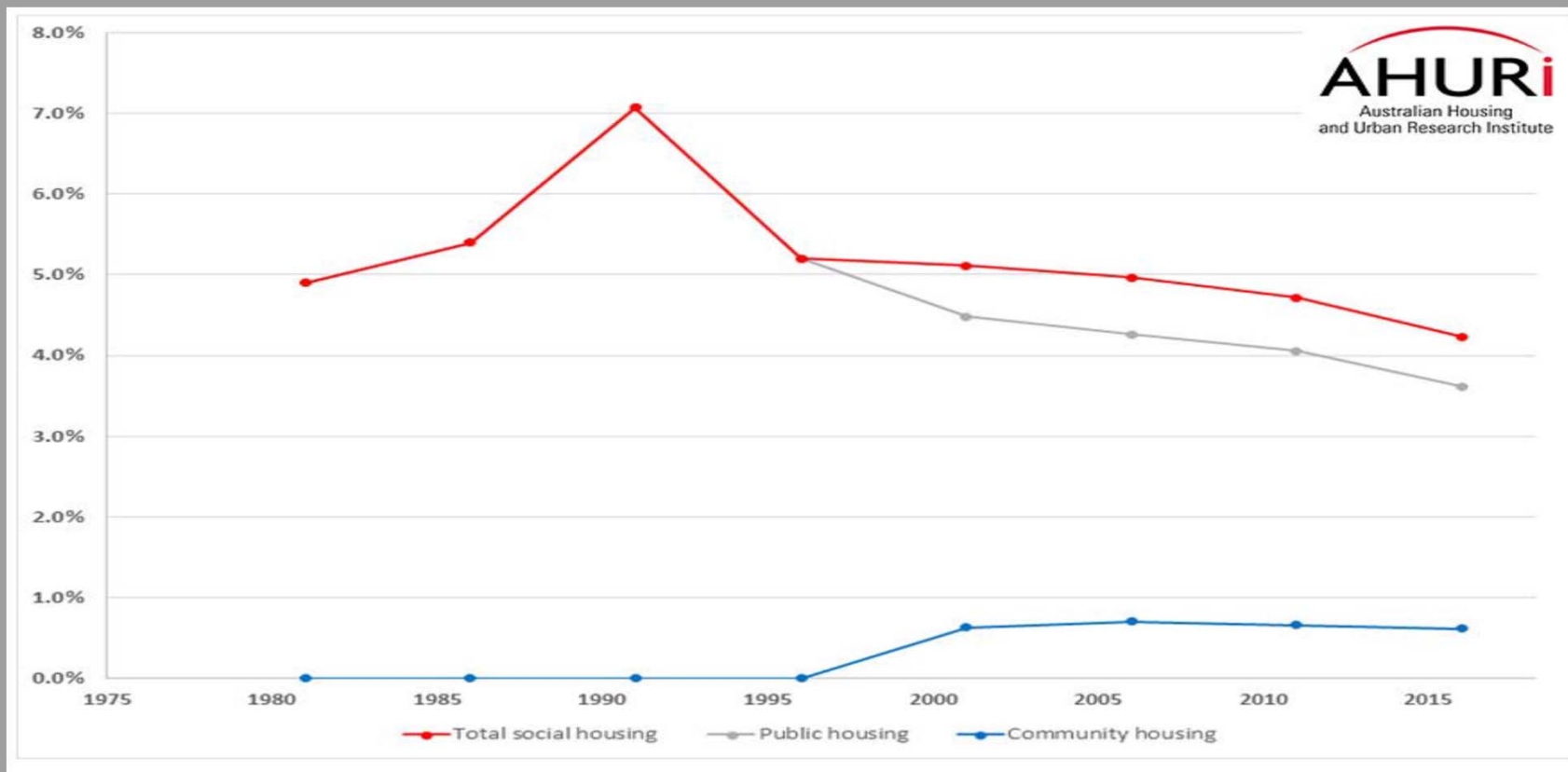
Source: ABS, *Census population and housing 1981, 1996, 2001, 2006 and 2011*

Taken from: Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231. Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/51002>>

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Supply

Social housing (public and community housing) as a proportion of households in Australia



High point: over 7% in 1991 fallen to 4.2% in 2016 and trending downward.

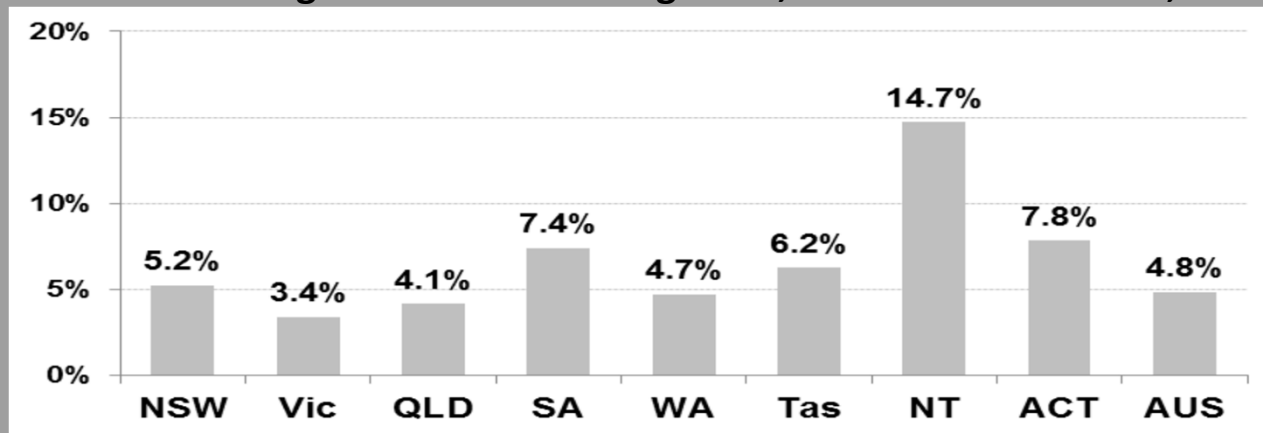
Source: AHURI Final Report No. 231 (<https://www.ahuri.edu.au/research/final-reports/231>) plus ABS, Census population and housing 1981, 1986, 1991, 1996, 2001, 2006, 2011 and 2016

Taken from: AHURI Brief: Census data shows falling proportion of households in social housing. Last updated 16/08/2017

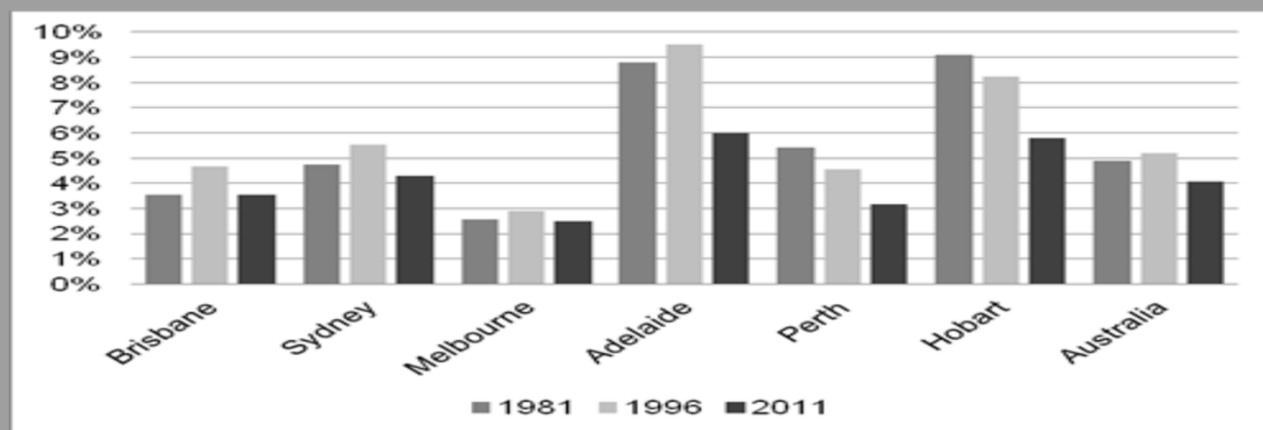
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Supply

Proportion of social housing stock of all dwelling stock, states and territories, 2011



Public rental housing as percentage of total housing stock, capital cities and Australia, 1981, 1996 and 2011



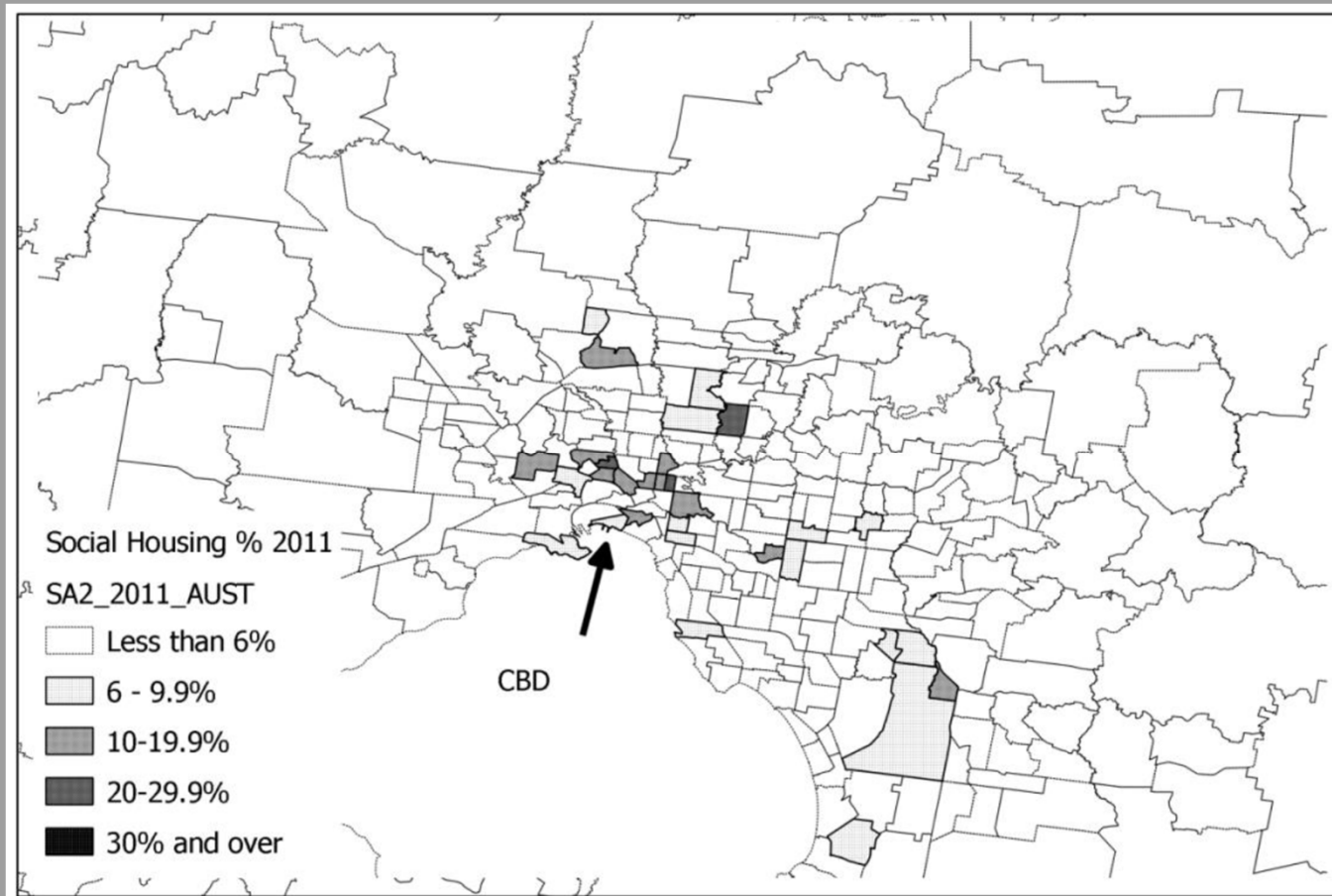
Source: ABS, *Census population and housing 1981, 1996, 2001, 2006 and 2011*

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Supply

Social housing as percentage of total housing stock, Melbourne, 2011



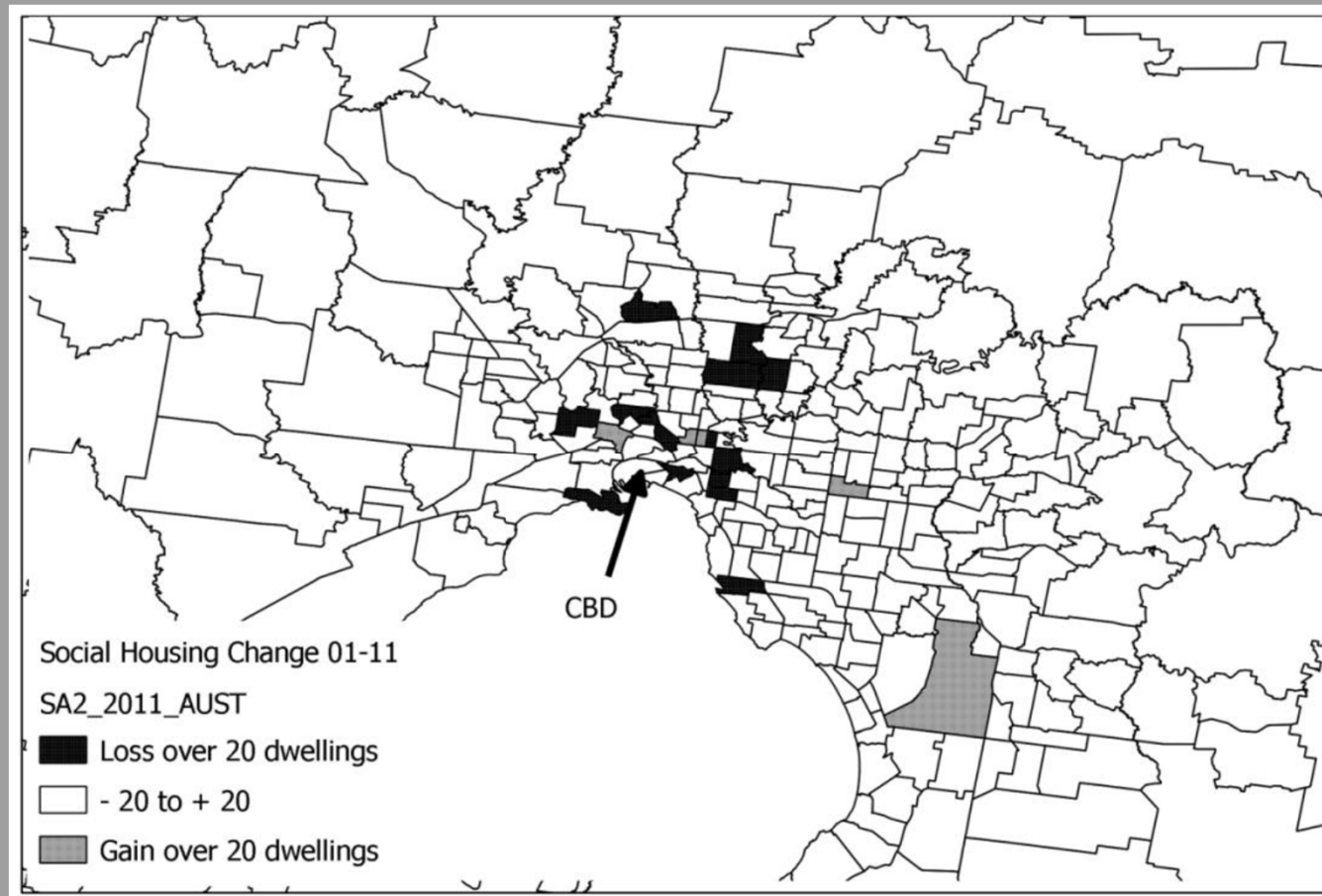
Source: ABS, *Census population and housing 2011*

Taken from: Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231.
Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/51002>>

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Supply

Change in social housing stock numbers, Melbourne, 2001-2011



Source: ABS, *Census population and housing 2001, 2011*

Taken from: Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231. Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/51002>>

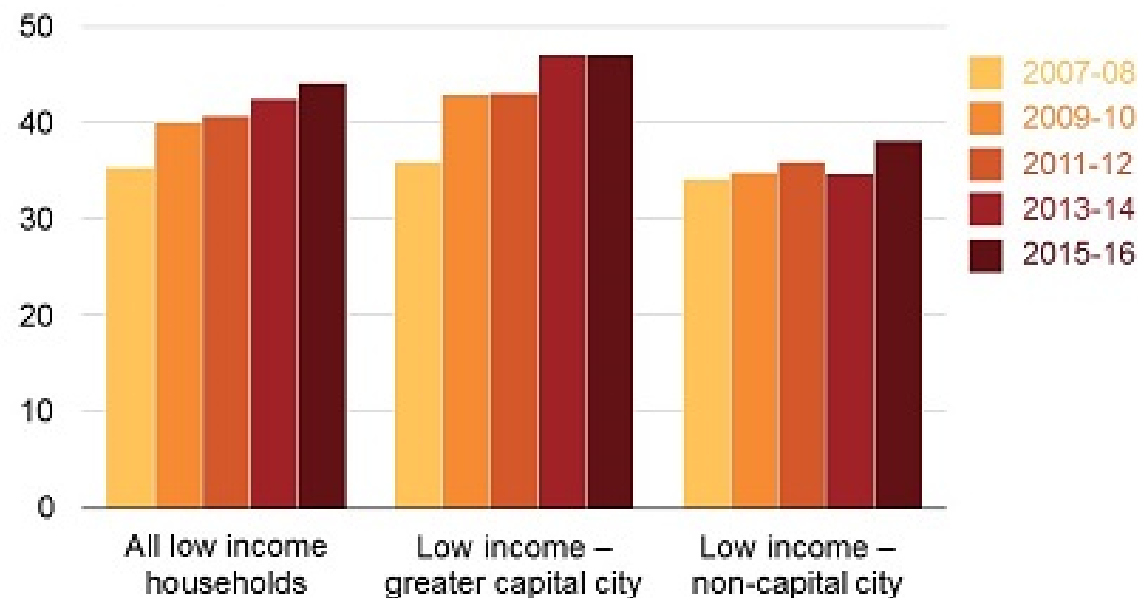
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Supply

Rental Stress

Rental stress among low-income households is increasing in capital cities **GRATTAN**
Institute

Per cent of low-income renters spending more than 30 per cent of gross household income on rent



Note: 'Low-income' defined as households with equivalised disposable household income (excluding Commonwealth Rent Assistance) at or below the 40th percentile.
Source: ABS 4130.0 - Housing, Occupancy and Costs

3

Source:

GRATTAN INSTITUTE - Three charts on: poorer Australians bearing the brunt of rising housing costs – 29.11.2017

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Need

Estimated social housing need, Australia, 2011

Household type	Household paying rent over				Total households
	30% of income		50% of income		
	Count	%	Count	%	Count
Couple + 1	17,786	55.9%	7,761	24.4%	31,791
Couple + 2	17,101	57.0%	7,643	25.5%	30,027
Couple + 3/4	9,971	51.1%	4,654	23.9%	19,502
Single + 1	44,900	61.7%	17,314	23.8%	72,773
Single + 2/3	49,080	63.9%	19,367	25.2%	76,784
Couple	45,329	56.7%	23,266	29.1%	79,918
Lone person	103,558	67.0%	78,590	50.8%	154,563
Total	287,724	61.8%	158,593	34.1%	465,356

Source: ABS, *Census population and housing 2001, 2011*

Taken from: Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231.
 Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/51002>>

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Homelessness

Persons by homeless Operational Groups, 2001, 2006, and 2011

	2001		2006		2011	
Persons	No.	%	No.	%	No.	%
In improvised dwellings, tents or sleepers out	8,946	9	7,247	8	6,813	6
In supported accommodation for the homeless	13,420	14	17,329	19	21,258	20
Staying temporarily with other households	17,880	19	17,663	20	17,369	17
Staying in boarding houses	21,300	22	15,460	17	17,721	17
In other temporary lodgings	338	-	500	1	686	1
Living in 'severely' overcrowded dwellings	33,430	35	31,531	35	41,390	39
Total Homeless	95,314	100	89,728	100	105,237	100

Source: Australian Bureau of Statistics

2049.0 – Census of Population and Housing: Estimating homelessness, 2011 – Latest ISSUE released at 11:30 AM (CANBERRA TIME) 12/11/2012

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Homelessness

Rate of homeless persons per 10,000 of the population, by State and Territory of usual residence – 2001, 2006 and 2011

States and Territories	2001	2006	2011
New South Wales	36.4	33.9	40.8
Victoria	38.9	35.3	42.6
Queensland	54.8	48.3	45.8
South Australia	39.8	37.0	37.5
Western Australia	53.6	42.3	42.8
Tasmania	27.5	24.0	31.9
Northern Territory	904.4	791.7	730.7
Australia Capital Territory	30.4	29.3	50.0
Australia	50.8	45.2	48.9

Source: Australian Bureau of Statistics

2049.0 – Census of Population and Housing: Estimating homelessness, 2011 – Latest ISSUE released at 11:30 AM (CANBERRA TIME) 12/11/2012

Homelessness

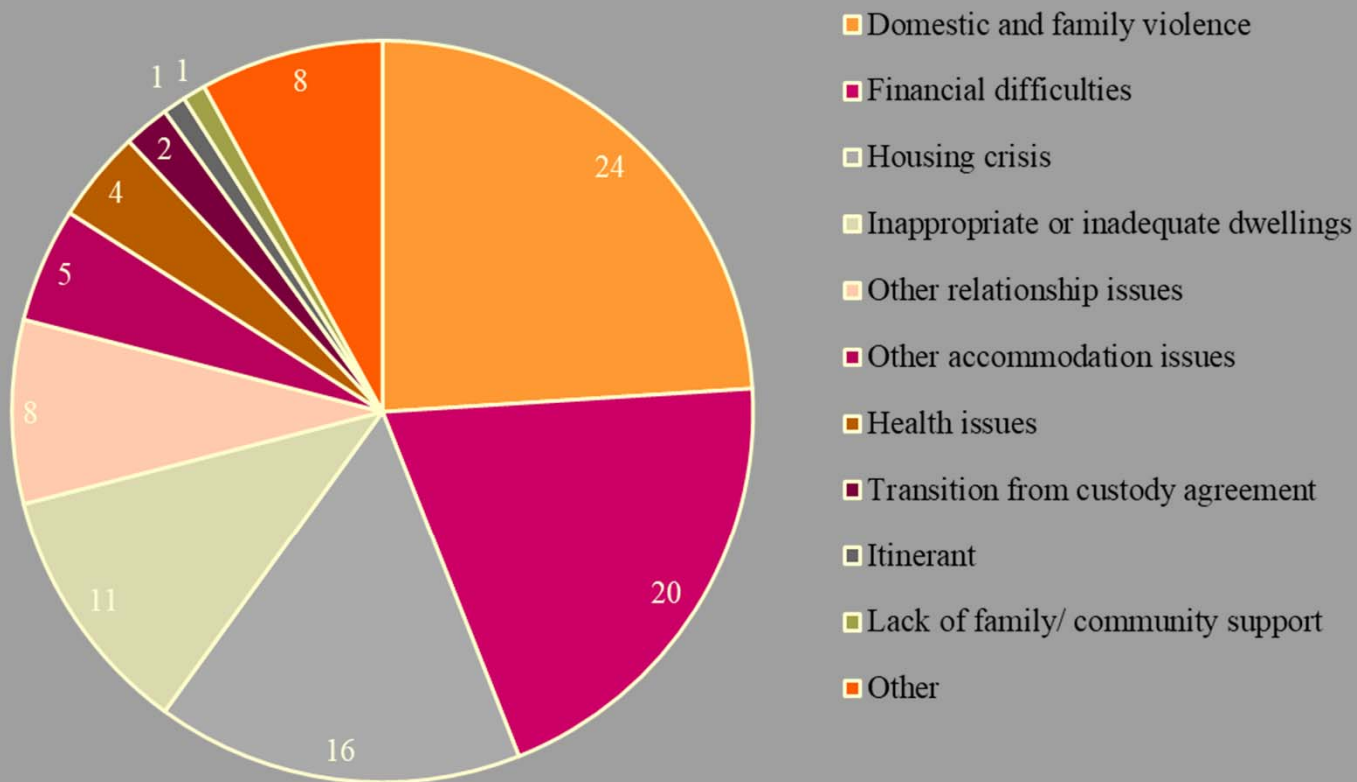
Specialist Homeless services 2015-16: Victoria

- 105,287 clients assisted, i.e. 38% of the 279,196 national SHS population clients.
- 40,009 (38%) were homeless on presentation, lower than the national rate (44%).
- 205,478 support periods were provided, i.e. 2.0 per client (national average 1.7).
- 1 in 4 clients (23%) received accommodation (half fewer than 28 nights).
- The top 3 reasons for clients seeking assistance were:
 - domestic and family violence (42%, compared with 35% nationally);
 - financial difficulties (39%, compared with 38% nationally); and
 - housing crisis (39%, compared with 43% nationally).
- 65% of clients ended support in private or social housing.
- **An average of 100 requests for assistance went unmet each day.**
- **The average annual rate of change over the past 5 years in Victoria was an increase of 4.1%**
- **1 in 56 people received assistance. Higher than the 1 in 85 national rate.**

Source: Australian Institute of Health and Welfare 2017 - Specialist Homelessness services 2015-16: Victoria fact sheet

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Homelessness

Reasons for being homeless



Source: Homelessness Australia, 2016 – Homelessness in Australia

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Homelessness

Specialist Homeless Services clients with a current mental health issue, 2011–12 to 2015–16

	2011-12	2012-13	2013-14	2014-15	2015-16
Number of clients	44,835	48,599	56,281	63,062	72,364
% of all clients	19.0	19.9	22.2	24.7	25.9
Rate (per 10,000 population)	20.1	21.4	24.3	26.9	30.4

Note: Rates are crude rates based on the Australian estimated resident population as at 30 June of the reference year.

Specialist Homeless Services clients leaving custodial arrangements, 2011–12 to 2015–16

	2011-12	2012-13	2013-14	2014-15	2015-16
Number of clients	5,132	6,399	6,756	6,866	7,804
% of all clients	2.2	2.6	2.7	2.7	2.8
Indigenous (%)	24	23	23	25	27
Rate (per 10,000 population)	2.3	2.8	2.9	2.9	3.3

Source: Australian Government – Australian Institute of Health and Welfare (AIHW)

Taken from: AIHW - Australia's welfare 2017 – 6.2 Homelessness

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Homelessness

Health, justice and welfare costs (in 2016)



\$25,343 Annual cost per homeless person
\$2,588 Australian population average

Supported accommodation costs (in 2016)



\$\$4,890 Annual cost per homeless person

Reduced health, justice and welfare costs (in 2016)



Source: AHURI Policy issue analysis – Delivering services for people at risk of homelessness.

Taken from: <https://www.ahuri.edu.au/policy/policy-analysis/delivering-services-for-people-at-risk-of-homelessness>

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Current Victorian Government Renewal Program

Carlton estate redevelopment	Pilot Project	Apartments and Dwellings added
Brunswick West: Gronn Place	1. Public Housing Renewal program (1100 properties)	110 (existing x 10%)
North Melbourne: Abbottsford Street	2. Homes delivered on vacant parcels of land	400
Heidelberg West: Tarakan and Bell Bardia estates	3. Households delivered by government, private philanthropic sectors	2,200
Clifton Hill: Noone Street	4. Rehousing of rough sleepers	40
Brighton: New Street	5. Dwellings in Preston and Flemington	900
Prahran: Bangs Street		
Hawthorn: Bills Street		
Northcote: Walker Street	Total	3,650
Ascot Vale estate		

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Current Victorian Government Renewal Program

Public Housing Renewal Program's Additional Households	Current estimated Need (Homeless at 2011 Census)	Homeless presented at Specialist Homeless Services
3,650	105,237	40,009
3.47%	100%	38.02%

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Examples

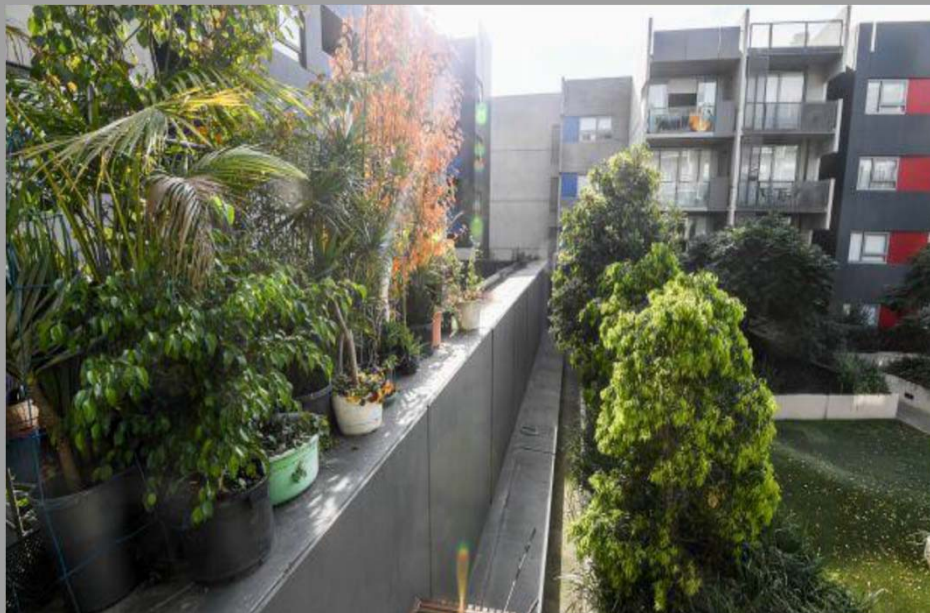
Carlton Estate Redevelopment (2011 – 2018)

(Pilot project, intended to be the model for the Public Housing Renewal Program on 9 other Public Housing estates)

- 192 Units - prior to development, housing 510 residents
- 246 Units – post development, housing 349 residents
[nominal increase of 28% but a reduction of 32% in resident numbers]
- Approximately 800 apartments for private sale
[public use of land reduced from 100% of the estate to 23.5%]

Source: Department of Human Services, Victoria, Australia – Carlton housing redevelopment

Taken from: <https://www.dhs.vic.gov.au/about-the-department/plans,-programs-and-projects/projects-and-initiatives/housing-and-accommodation/current-building-projects/carlton-housing-redevelopment>



Social integration failure:

The Redevelopment, initially proposed as an innovative ‘salt & pepper’ mix of public and private dwellings in the same buildings, ended up with a minority public component, segregated from the private part by a wall.

Image Source: The Age – ‘Social mix’ approach to public housing is failing, research finds

Taken from:

<http://www.theage.com.au/Victoria/social-mix-approach-to-public-housing-is-failing-research-finds-20170616-gwsj3m.html>

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Examples

Established state-level affordable housing delivery schemes

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
National rent affordability scheme	X	X	X	X	X	X	X	X
Transfer programs	X	X	X	X	X	X	X	X
Land Rent	X							
Partnership and joint ventures with private sector	X		X					X
Subsidised rental housing for key workers			X	X				X
Low deposit home loans					X	X		X
Share-equity schemes	X				X	X		X
Transitional housing								X
Affordable land	X							X

Source: Rowley, S., James, A., Phibbs, P., Nouwelant, R. and Troy, L. (2017) Government led innovations in affordable housing delivery, AHURI Final Report No. 289, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/289>, doi: 10.18408/ahuri-8113101.

Taken from: AHURI – Government led innovations in delivering affordable housing delivery <http://www.ahuri.edu.au/research/final-reports/289>

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Examples

**Affordable housing – salt and pepper – with private housing
VIA 57 West, Manhattan, New York**



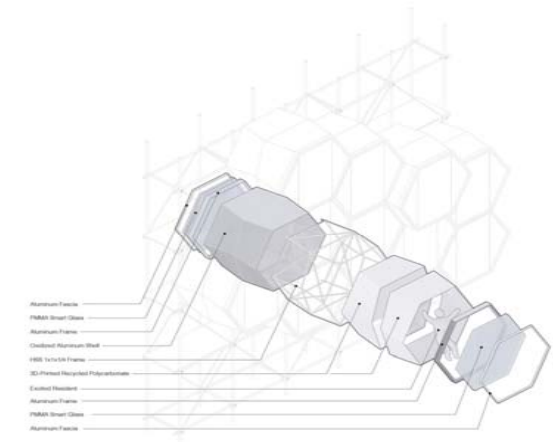
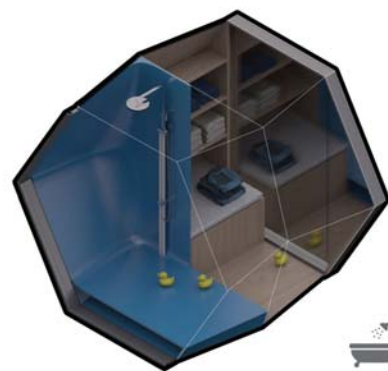
178 (20%) Affordable
apartments
712 (80%) Market rate
apartments

Source: World Architecture News.Com VIA 57 West, New York, United Kingdom – Wednesday 23 August 2017

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Examples

Homed by Framlab (Oslo, New York) – 3D printed hexagonal housing modules, to be built on the side of existing New York Buildings using a scaffolding framework



Source: MashableAustralia – ‘Homed’ project could house New York’s homeless in clustered, honeycomb-like pods.

Taken from: <http://mashable.com/2017/11/27/homeless-housing-pods-new-York#WFlvgSD4ykq3>

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Examples

‘Any apartment, anywhere’: innovative cooperative housing project proposes ‘stacked homes’

Cooperative housing development in Perth, designed by Spaceagency Architects, for an apartment complex in White Gum Valley



Source: Architecture AU: <https://architectureau.com/articles/any-apartment-anywhere-innovative-cooperative-housing-project-proposes-stacked-homes/>

Recommendations

How to bridge the gap between the current public and social housing supply and the real current and emerging need?

From 4.2% to 15%

- **Plan and implement emergency housing supply provisions**
- **Inclusionary Zoning, i.e. an Affordable Housing Overlay in Planning Regulation**
- **Require that 50% of the State's building activity be compulsorily for the provision of Public, Social and Affordable Housing.** This could start with a 20% ratio and be increased to be 50% in 3-4 years, then monitored and adjusted according to results, and maintained in the long term at a 15% level.
- **Revise the Planning Act to adjust development contribution levies to be based on actual population increase** (not the current 5% of the area currently legislated)
- **Adopt a 'Housing First' policy for the effective reduction and solution of the problem of homelessness**
- **Current public housing estate land to be kept and used for the adequate provision of public, social and affordable housing**
- **Allow local councils to initiate community consultation and advocate for community initiatives aimed at providing social and affordable housing and infrastructure based on need**
- **Plan for urban development that privileges public transport, walking and cycling and generally a healthier lifestyle.**

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Thank you

Inquiry Evidence by Salvatore Furfaro