

Policy Position Statement – Making Public Housing Sustainable

The Victorian Public Tenants Association 20 Year Vision for Public Housing

Executive Summary

A quality public housing system is imperative as a safety net for those with no other realistic affordable housing options and is an important element of the complex and diverse housing sector in Victoria. Currently there is not enough public housing to meet the demand and the projections on population growth and ever increasing private rental rates mean that this situation will only worsen.

Governments of all persuasions need to address this. Ongoing tinkering at the edges or reliance on Federal Government largess is a particularly risky strategy and one that is failing. The State Government is not putting enough money into the system as it stands today, and perhaps cannot, so viable funding alternatives must be found.

The VPTA contention is that Victoria needs a viable and sustainable public housing system that remains the responsibility of Government. It must be well managed and cost effective with the ability to grow to meet community need without being an excessive burden on the taxpayer. We believe this can be achieved provided there is the political will and vision to do so, albeit this would require new funding approaches including creative private sector incentives and investment and targeted Government subsidies.

We should be aiming for a fully funded system or preferably a self-funded public housing system, albeit one that may not own its own properties.

New approaches are required if the public housing system is to remain viable and service the needs of disadvantaged and low income Victorians unable to access affordable private rent. Projected population growth alone requires considerable growth in public housing to address current and projected shortfall; estimated at a minimum of 20,000 residences over the next 20 years.

Government must provide the leadership necessary in the long term interests of the community to ensure the growth of this essential service to facilitate the transition to a better public housing system. This requires creative and collaborative long-term strategic solutions to be developed and implemented.

To provide a non-political continuum, we recommend that the Victorian public housing system should be overseen by an Independent Authority or Commission charged with ensuring the ongoing growth and viability of the system, answerable to the Victorian Parliament.

The VPTA recognises that change is imperative if we are to reinvent and reinvigorate public housing in Victoria and that new, innovative funding solutions will need to be found to minimise the burden to Governments, both Federal and State. In saying this, we must be mindful of the overall affordable housing canvas to better understand where public housing fits and what the opportunities are to take pressure off the public housing system by exploring other affordable housing options.

The VPTA believes Australia needs a Council of Australian Governments (COAG) style all party, top down approach to investigate options to solve the problem of affordable housing supply. This requires leadership, long term strategic thinking, the appropriate legislative framework and the political will to facilitate sustainable, affordable, long term housing solutions.

The National Affordable Housing Agreement (NAHA) provides the existing framework for the Parties to work together to improve housing affordability and homelessness outcomes for Australians. Its aspirational objective is that all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation. Without proper funding by Government and more private sector investment in affordable housing, the NAHA falls well short of meeting its objective. There is a growing crisis in the supply of affordable housing, a situation which is made worse by population growth estimates. Unless the problem is addressed in a meaningful way now and for the foreseeable future, the gap between what is needed and what is available may never be closed.

The VPTA 20 to 30 year Public Housing Plan for Victoria

The VPTA asserts that public housing should only be available for those who need it and have no other options. It should be underpinned by a network of diverse community based support services and programs to assist tenants and residents to live successfully in public housing and to help those with the potential to make the transition from public housing to secure, viable, long-term alternative accommodation.

To facilitate this, a long term plan for public housing is needed; without which it will be subject to the vagaries of politics which, under successive State Governments, has seen public housing decline over the past 20 years. We need an overarching body such as a Statutory Body, Commission or appointed Board of Management to oversee the health and management of the public housing system and to make recommendations to Government in order to improve and expand the system.

This body would look at creative financing options and seek and evaluate proposals from time to time to expand the system. Ideally this body would comprise a number of sector representatives, nominees from both major political parties and other members selected for their expertise in Asset Management, Project Management, Infrastructure Financing, Social Policy and Urban Planning and other key related disciplines. The body would be appointed for a specific period and would engage in long term strategic thinking and policy development, as well as seeking ideas and submissions from organisations, and the public more generally, to provide growth opportunities.

The public housing plan would be developed under the auspices of this group and would be evaluated, fine-tuned and updated, say every 5 years. The body would report to Parliament annually on performance measures to be developed as one of the first orders of business.

Without a long term vision and plan for public housing, the prospects of keeping public housing as a dynamic, viable resource that meets the changing needs of the population is unlikely to occur. We cannot afford to allow public housing to remain in decline and lose forever its benefit to the community.

New Building/Infrastructure Financing Options

Whilst Government has responsibility for capital funding, it is unlikely growth will keep pace with the demand. There is simply not enough money being generated by Government to meet the broad demand for services. Better financing models need to be developed. We need to look at ways to involve the private sector in financing the growth needed in public housing.

Can we achieve a fully funded system or preferably a self- funded public housing system, albeit one wherein the government that may not own the stock? The VPTA contention is that we could, if we help subsidise the private and Community housing sector to provide new buildings in return for attractive long term rental subsidies and returns. This would be a cheaper option than requiring significant Govt. investment in infrastructure in excess of an estimated \$4billion in the next 20 years (Victorian Peak Housing Bodies:-Making Social Housing Work 2014).

As unpalatable as it may be to some, in order to address the ever growing demand for public housing and to reduce the spiralling maintenance burden in the absence of Government properly funding the system, we have no option but to partner with or encourage investment from the private sector and Community Housing with targeted stock transfers. Large scale transfers to Community Housing are occurring or being proposed for all states in Australia, with other countries having successfully gone down this path. In 2014, the Victorian Coalition Government announced some 12,000 stock transfers will take place in the next 3- 5 years and the planning process is underway.

Private developers may come on board simply if the State Government was to legislate for inclusionary zoning on new estate or high rise developments, where a percentage of the development is allocated to public housing. The VPTA believes this is essential for large scale inner city developments.

What else can be done?

There are many more options that could be considered. Although not exhaustive, the initiatives outlined in our submission to the Senate Inquiry into Affordable Housing (see Attachment 1) would require discussion, analysis and a robust assessment process. The VPTA believes there is merit in these strategies which would, if implemented, help to resolve the affordable housing shortage which impacts on demand for Public Housing.

A number of the schemes and initiatives have been trialled and adopted in various Australian States and overseas and are proven to work. We are looking for these to be rolled out more broadly, albeit it may require a change in political thinking, political will and the courage to look at new approaches. The stimulation provided to the economy in job creation, heightened building activity and infrastructure development would be significant should these initiatives be implemented. The economic growth and industry development that underpins many of the initiatives would, in the VPTA's view, far outweigh the cost of implementation.

The VPTA acknowledges it is not the appropriate body to undertake detailed evaluations of the suggestions being submitted. Rather, we have put the ideas forward believing that they have merit and warrant discussion in the appropriate Government and housing sector forums.

The ultimate aim is the creation of cohesive long term solutions to resolve the critical housing shortage in Australia now and for decades to come. We have to start somewhere.....

Cost effective Fixes

Whilst it is fine to look at new approaches to funding and other long-term structural solutions, there are a number of initiatives that could be applied quickly and at minimal cost, which would dramatically improve the public housing system.

Tenancy Reviews

The VPTA believes that tenancies need to be regularly reviewed. This would help ensure that only those eligible to live in public housing continue to do so. How do you know if you have the actual tenant and other notified occupants living in the property if this is not checked from time to time and, likewise, that the property is being maintained in good condition? The VPTA accepts that many client circumstances will not change and would recommend that these cases be reviewed on a risk assessed basis – the lower the risk the less frequent the review, but reviewed they should be. This cohort would include age pensioners and people with long term permanent disabilities. Other clients such as those on variable incomes who are in employment or who are self-employed or where changes in circumstances are likely to occur should be reviewed at least every 6 months.

Self-Employed Tenant Reviews

Tenants who are self-employed or working from home warrant a more rigorous review process. The VPTA hears of cases where a tenant may be working from home or is clearly conducting business from home. The VPTA asserts that the point of public housing is to provide affordable rental accommodation for those in need and not to provide a subsidy to business. Someone working from home should be subject to an ongoing asset and income test, not merely that which applies at the time of application for public housing. This review should include a forensic analysis of income and expenditure and should look at assets accumulated and how this was achieved.

Other factors such as lifestyle choices should be taken into account. These lifestyle choices would include frequent extended absences, overseas holidays, lease and hire purchase agreements that would indicate earnings at higher levels than those disclosed. Any discrepancy between earnings and actual expenditure should be questioned. Gross (pre-tax) income should be used in the assessment for rent calculation purposes.

Where there is evidence that income has been deliberately understated or incorrectly notified, this would be a disqualifying event and the tenant should no longer be able to reside in public housing.

Sub-letting, boarders and lodgers

Sub-letting should not be permitted in any public housing property. This includes tenants who allow others to live with them for all but temporary stays of more than 3 nights per week or where an amount is charged for them to do so. Where there is evidence of someone other than, or in addition to, the tenant occupying the property, this must be notified immediately by the tenant and the tenancy reviewed. Failure to notify would be a breach of tenancy and may lead to immediate eviction of all parties. This would not apply to those whose income is being taken into account having been nominated by the tenant as living at the premises.

Where a new resident moves in this must be notified immediately and additional rent charged at 25% of total household income with no option for market rent to be applied.

Where there is doubt as to the residence of other people staying at the property, the onus should be on the tenant to provide evidence that the person resides elsewhere. This would include a bill or rent receipt made out to the person in their name showing the actual address of the property. Additional corroborating evidence may be sought.

Remove the Market Rent Option

We have said in the past that market rent should not apply in public housing and that a fixed 25% of household income should apply in all cases. Using this rent setting methodology will remove the potential for the system to be rorted by not allowing higher income persons to live in public housing at a discounted market rent rate which is less than what is available in the private market. What is the housing imperative need for that person to live in public housing? This incentive to live or remain in public housing should be removed.

Subsidised Private Rent

Where people on the waiting list for public housing are struggling to pay private rent it may be cheaper for the Govt. to provide temporary rental support which may include some form of specialised Commonwealth Rent Assistance (hardship) to the tenant or to compensate the landlord for reducing the rent for a specified period, rather than have the tenancy fail and the tenant then becoming a priority for public housing.

Co-Tenancy/ Transfer of Tenancy

Policy overview (Chapter 15 DHS Tenancy Manual)

At the end of an existing tenancy, the property should be allocated to the next eligible applicant on the waiting list. In some instances there will be persons other than, or in addition to, the tenant living in the property when the tenancy ends who wish to continue living there.

So as to not unreasonably or unnecessarily disrupt the lives of these occupants and their families, these occupants can apply to have the tenancy transferred into their name. A transfer of tenancy terminates the previous tenancy, with a new tenancy agreement being signed by all applicants who are determined to be eligible under this policy. (See Attachment 2)

The VPTA believes that when a tenancy ends and the tenant is not part of a couple there should be very strict guidelines for when assignment or transfer of tenancy is considered. There may be circumstances where a tenant may want to have another party included on the lease as a co-tenant. In these circumstances a rigorous application process should be applied to ensure that the applicant is not being advantaged over people on the waiting list with a higher demonstrable need for public housing and that property.

The VPTA recommends that Transfer of Tenancy/ Co - Tenancy policy and guidelines be reviewed and strengthened to eliminate the potential for rorting. We have seen cases where tenancy appears to have been transferred down through the family over several generations with the notion that somehow there is an "inherited right" to a particular property. This cannot be allowed to occur if the system is to be transparent and fair, servicing those in greatest need.

Notifiable events

The VPTA believes that the notification obligations of tenants should be made clearer and that tenants should be required to notify when their circumstances change from what was their situation at the time of applying for and being granted public housing tenancy.

This would include but not be limited to:-

- a change in employment
- extended absences
- changes to occupants
- a change in income or financial situation
- receipt of an inheritance
- change in circumstance of household members including income changes

Public Housing Assets and Income Test

It is noted that there is no asset or income test applicable to public housing once the initial eligibility has been assessed. Consideration should be given to the introduction of an appropriate ongoing asset and income test that would ensure only those most in need of affordable public housing receive assistance.

A review form should be issued annually requiring updated asset and income information be provided.

Specialised Accommodation

Tenants with higher needs may require more specialised accommodation. This may include tenants with behavioural issues or undertaking drug and alcohol rehabilitation programmes. Social Housing providers that supply more specialised accommodation and support services should be given greater government support and subsidy, particularly where Government cannot supply the facility.

The Ageing Stock Problem

A target for the maximum age of public housing properties should be established for all stock in the property portfolio so that the system cannot be allowed to fall into decline with a spiralling cost to maintain stock beyond its optimal service life. A lifespan of say 20 years could be applied, for example, beyond which the property would be sold and the money realised used to finance a new building/s without loss in the overall number of dwellings.

The introduction of a 'Limited Lifespan of Stock' policy would require clear advice to existing and new tenants so that tenants have forward knowledge of the 'Expiry date' of their property and can plan accordingly, in conjunction with a Department that acknowledges, and assists with, the challenges of relocation.

By maintaining a younger stock portfolio we anticipate the cost of maintenance would be reduced, thereby generating savings over-all.

Property Mix

Having a mix of property types and in a variety of locations will help people make the transition from public housing. The system need to be more flexible. Many more one and two bedroom apartments are required in inner city locations. These must be the priority for any new developments.

The inability for tenants to be able to transfer readily is an impediment for them to make the transition from public housing or for single people to vacate larger properties that have seen their families grow and move on.

The VPTA would like to see a voluntary register of public housing tenants wanting to move to other locations should a suitable property be available – particularly those wanting to down size or move from inner suburban to rural locations. The Department should also provide incentives such as rental discounts and movement allowances where it is considered this would improve both the tenant mix and stock usage.

Transitional Planning

How many tenants are looking to move from public housing? What support is available and what is the plan to assist tenants to do this? The Department should commission a study to help understand the longer term intention and requirements of tenants, at least as a part of the review process in order to develop an informed tenant management strategy that delivers greater certainty about the future stock requirements.

Automatic Rent Deductions

Centre Pay deductions should be mandatory for all Public Housing Tenants in receipt of Centrelink payments, with direct debit deductions from nominated bank accounts for all other clients to help ensure rents and other accounts are paid as a means to assist tenants' budgeting, reducing rental arrears and the expense of recovery actions.

Incentives for Good Tenants

The VPTA believes there is merit in providing rental relief or other incentives for model tenants and tenants who do the right thing. Having a positive focus rather than one that concentrates on compliance and tenants who do the wrong thing may bring enormous benefit and greater stability to the system. The role of the HSO is improved to one which enhances life in public housing – the idea being to catch them doing something right versus catch them doing something wrong. This is something that could be readily trialled.

A part of this approach may well be to encourage tenants to undertake certain maintenance tasks where there is evidence that the work would be done to the requisite standard and that this would be cheaper than being done by Departmental contractors. Many tenants, for example, have qualified friends and relatives that could do the work or have the skills to do the work themselves if they were permitted to do so: a win all round potentially.

Perhaps a maintenance bond could be imposed, payable in instalments on commencement of tenancy or where there is evidence that a tenant is not properly maintaining the property, whereby it is refunded or earns rental credits when the property is kept in good condition and only normal wear and tear is required to be covered by the landlord.

Tenants who help others – such as with gardening and helping improve the amenity of the development could be rewarded by rental concessions or some form of meaningful recognition.

A Subsidised Tiered User Pays System

The public housing system is unlikely to be cost neutral to the point where the rental income covers the maintenance and infrastructure growth required to meet the increasing demand. However, with some innovative thinking we make get to the point where the income generated goes a long way to meeting, if not exceeding, the running costs (maintenance and compliance) of the system. There is a model in place for this – Community Housing.

The one-size fits all public housing approach is dated and needs a rethink. We could have a system where there is a minimum standard of accommodation on offer at set rental amounts based on percentage of income, again depending on circumstances of the client from, say, 15% upwards. There would be an upper ceiling rental amount set at, say, 25% as a safety need for those unable to afford a higher rent. Beyond this, tenants may be able to negotiate a rate that they can afford plus Commonwealth Rent Assistance in line with Community Housing rent setting models. This would introduce the element of choice and a fairer user pays system. As it stands, Community Housing must be profitable – so as for it to remain viable and generate growth. So, why couldn't "public housing" at least be cost neutral on the same basis?

The VPTA asserts that some people in public housing would accept higher rental if the standard of accommodation was improved and the accommodation on offer suited their needs better. Why should someone pay the same amount for a very old, poor quality property in an undesirable area, as does another tenant in a newer premise in a more sought after area? People should get what they pay for.

Are there alternatives to Govt. Owned Public Housing?

What if public housing was not owned or controlled by the State Government through DHS? The expanding Community Housing model supports the argument that it doesn't need to be.

The VPTA has been considering the prospect of Government (Director of Housing) selling off all public housing stock to investors on a lease back arrangement such as the Defence Force Homes model and others similar to it. We conservatively estimate that this might raise some \$26 Billion, which could be used to subsidise the rents of those in greatest need and make housing more affordable.

The punitive capital cost of Govt. supplying new public housing would be removed and picked up by the private ownership.

Another option such as inclusionary zoning, which requires the private sector to provide affordable social housing in certain developments, is also a viable method of achieving growth in social housing.

The alternatives to the present public housing system need to be more fully explored including options for the properties to become privately owned with property management/maintenance allocated to accredited and proven social housing providers.



Conclusion

1. The VPTA believes much more can be done at minimal cost to improve public housing in Victoria and to make the system far more sustainable and responsive to demand.
2. There is a mounting argument that it may be cheaper for Government to provide subsidies and other incentives to those who supply housing stock rather than have Government fund and own new stock.
3. New innovative approaches to the supply of affordable rental housing, including Social Housing, need to be found.
4. This is an Australia wide problem that requires a whole of Government response and high order leadership.
5. Having a long term vision and plan that is not constrained by election cycles or short term political thinking is imperative.
6. Meaningful change will not happen without the right levers and governing bodies in place.

Attachment 1 – VPTA Submission to 2014 Senate Inquiry into Affordable Housing

FEDERAL GOVERNMENT

Suggested initiative	Rationale
<p>1. Whole of Govt. top down approach Council of Australian Governments (COAG) needed to look at affordable housing including Social Housing Australia wide and set some National parameters for all States to sign up to including funding options.</p>	<p>The initiatives suggested in this paper are far reaching and many would require the support and co-operation of both Federal and State Governments to implement in the National interest. We are seeking long term sustainable changes that require political leadership and a shared vision for the future not limited by the political expedience brought about by electoral cycles.</p>
<p>2. An independent National Regulator/ National Housing Authority to establish rules framework and oversee how the systems that are implemented perform.</p>	<p>There are numerous State and Federal Housing schemes that need to be closely monitored and better regulated/governed. We need an overarching regulatory body to can look at the effectiveness of the many housing initiatives funded by Govt., provide an audit function and advice to Govt. on requisite changes and improvements.</p>
<p>3. National Housing Trust Account</p>	<p>Federal Govt. to create a vehicle for investment by large private sector investors such as superannuation funds, for large scale projects in the National interest including housing developments – with asset backed securities.</p>
<p>4. Utilise certain superannuation investment funds particularly Pension Annuity funds which require secure low risk returns to lend money for new housing developments.</p>	<p>Pension Annuity funds unlike other superannuation schemes want secure predictable returns in order to pay ongoing pensions etc. to their members with minimal risk. These funds may be ideally placed to provide competitive low interest loans, Government backed, for new home purchasers. Investing in bricks and mortar security may be highly attractive to these fund providers.</p>
<p>5. Allow individuals access to superannuation for home purchases/deposits.</p>	<p>At present, self-managed superannuation funds can provide a vehicle for new property development. These have their place but can be expensive to establish and as such are not widely accessible. Most people have a superannuation fund which we believe should be able to be accessed for the purpose of purchasing a home or at least providing a deposit for the purchase of a home. One of the barriers to home ownership for many people is the ability to raise a deposit. Allowing access to one's own superannuation investment would help address this particularly where the ongoing mortgage repayment is affordable and replaces the rent being paid. The other benefits of such an arrangement include freeing up some additional rental stock - lessening the competition for affordable rental properties and providing a greater stimulus to the economy via increased building and related services.</p>
<p>6. Mortgage interest component to be tax deductible for home loans.</p>	<p>Allowing the interest portion of a home loan (in part or in full) to be tax deductible is another way of stimulating the housing industry and making home purchase more accessible and affordable. Any resultant increase in disposable income would have flow on effects to the economy by increased spending.</p>
<p>7. Extend and improve the NRAS scheme for new homes.</p>	<p>The NRAS scheme should be extended and any loop holes fixed. Consideration should be given to how to make it more attractive to small investors including by offering periodic tax free cash incentives or a lump sum payment rather than as a tax offset.</p>
<p>8. Apply Negative Gearing for new housing only.</p>	<p>Negative gearing is currently supported by all major parties. There is much argument about the value of negative gearing. The VPTA believes where negative gearing attracts investment in new property and grows the affordable rental market this is of community benefit.</p>

	Some rethink to negative gearing for new properties should be undertaken with better incentives provided to encourage this type of growth/investment.
9. Modify or abolish negative gearing in its present form or implement a grandfathering provision.	Negative gearing does little to address the housing shortage and has inflationary impacts on the property market. Research indicates that over 90% of residential property investment goes into existing properties resulting in little real increase in the supply of affordable housing. This leads to an increase in property values caused by higher borrowings which is in our view inflationary. It drives rental increases and thereby serves to reduce the supply of affordable housing. In the current economic climate demand for affordable housing far outstrips supply with more and more people in rental stress. We believe the existing negative gearing system for property investment needs urgent review and a better vehicle to encourage investment in housing needs to be devised. Refer item 7 above.
10. Govt. incentives to landlords who cap rental rate at Govt. specified level for low income families or who offer newly built homes (not under NRAS) for rental with a cap applied.	A new housing rental subsidy scheme would be required whereby sponsoring Govts. would be required to establish a rental cap system based on the gap between agreed market rent valuation and the fixed rental rate for eligible tenants. Payments would be paid to participating property owners on approved dwellings. This may be additional to any negative gearing benefits that may be applicable.
11. Govt. subsidised private rental –for low income families (not on Centrelink payment). This would be cheaper than the subsidies paid to Social Housing.	Rather than be forced out of the private rental market due to rising rental costs it would be cheaper for Governments (State or Federal) to offer subsidised private rent or Commonwealth Rent Assistance for low income families rather than look to Public or Community Housing (Social Housing) for the solution. This would be cheaper than the investment needed to accommodate a family in Social Housing and certainly more timely response than sitting on an indefinite long term waiting list.
12. Federal Govt. to provide subsidies or other incentives to State Govt. to encourage/ sponsor short term, long term or fixed rate leases (tax concessions, rebates or allowances paid to participating landlords.)	Similar to point 9 above. This be may be applied to existing dwellings where the property is fully owned or may not previously been a rental property and is being made available to low income tenants on a fixed rent basis in areas where there is a chronic shortage of suitable dwellings or is being rented out as an interim or transitional arrangement.
13. Reduced tax or other incentives for private housing infrastructure development/investment.	Companies who participate in supplying low cost housing solutions including private and public partnerships where Government owned land is utilised in return for higher tax concessions or for handing over an equivalent value in completed properties for sale or rent to low income tenants.
14. Create Land Registers for land earmarked for housing development and affordable housing - Local, State and Federal Govt.	Consider best value and utilisation strategies for publically held land. Governments to favour projects that deliver long term housing outcomes that grow community capacity and increase economic stimulation. Best value approach to be adopted and promulgated.
15. Investigate best practice housing models – COAG	A study to be commissioned to investigate and determine best practice in Australian Housing supply.
16. Expert National Federal Govt. driven “think tank” – as part of a Permanent Housing Authority.	An ongoing body to be created that looks at (cherry picks) housing models globally to provide the latest thinking and solutions to Government.
17. Enforce the restriction on the sale of properties to overseas nationals not permanently resident here.	Currently overseas nationals are prevented from purchasing existing property in Australia as this has an inflationary impact and precludes many local buyers from the market. New property and land can be purchased with

	certain conditions. The VPTA believes that this policy is not being complied with in some jurisdictions and requires greater enforcement. More needs to be done to tighten the rules and check the bona fides of purchasers as a condition of sale of the property.
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STATE GOVERNMENT

18. State Govt. to sponsor or partner (equity) projects which grow capacity, infrastructure and supply and create places where people choose to live and work.	Similar to point 12 above. State Government Departments to develop long term strategic plans for population growth and infrastructure development and work with the private sector to create equity projects to address the growth expectation and requirements for new and innovative industries to be developed. Investment would cover initiatives such as Technology hubs, business incubators, seeding capital for new business development, technology transfer/exports and the like. End the reliance on traditional or failed business (e.g. car manufacture) and actively seek and encourage new opportunities.
19. Replicate the South Australian Homestart Scheme.	Low interest loan scheme underwritten by State Govt. with guaranteed/backed bonds to be issued at preferential rate for a purpose specific lending authority to provide housing finance at preferential rates to persons not previously meeting lending pre-requisites/conditions of the banks and other main stream home loan providers but with the ability to repay, e.g. graduates, newly employed with insufficient deposit etc. A Govt. sponsored home design to provide earlier access to the home loans to fast track home ownership for eligible people.
20. Strategic Land Transfer	For new residential estate developments State Govt. to allocate land in return for handover of new housing at equivalent value to that of the land transferred. A Public Private Partnership (PPP) model.
21. Adopt WA style "Opening Doors" loan and shared equity scheme.	State Govt. as the lending authority providing low interest loans (financed by Treasury) to approved low income homebuyers for select properties developed in conjunction with developers specifically for the scheme.
22. Stock sales and transfers	Sell or conditionally transfer publically owned underutilised or underperforming housing assets where this can be proven to generate or leverage more growth in housing rental stock in the public interest.
23. Abolish the first home buyer scheme	This scheme has inflationary impacts by artificially increasing the cost of building. Instead, offer significant stamp duty discounts and/or other incentives to attract first time new home purchasers.
24. Private sector emergency accommodation and temporary relief.	Introduce policies including tax concessions, direct subsidy or other incentives to encourage the private sector to provide emergency accommodation and temporary relief whilst people are waiting for permanent housing solutions.
25. Relocatable self-contained dwellings program.	For use on unused Government land as a temporary measure. Similar to what was provided to bushfire victims in Victoria enabling them to get back on their feet until permanent housing was available.
26. Holiday homes or other vacant properties	Develop a scheme to encourage property owners to provide unused properties in return for Govt. subsidised rent at market rate and considerable tax subsidies that provides a reasonable return for the property owner. Again something similar to what was done in the recent Victorian bushfires except with State and Federal Government funding.
27. Board and lodging programs	To encourage people to take in boarders with tax incentives and other rent subsidies payable to participants.

Attachment 2 - Extracts from Chapter 15 DHS Tenancy Manual – Transfer of Tenancy

Residents and occupants must demonstrate their eligibility for the transfer of tenancy in accordance with the factors relevant to the transfer category which applies to them (below).

A. Where no existing tenants of the premises are to be tenants under the transfer request

Sole or Joint tenancy terminated (or to be terminated) and one or more household members (resident or occupier) apply to become tenants of the premises.

B. Where tenant is applying for non-tenant(s) to join their tenancy

This can occur in the following two ways:

Existing tenant(s) to a tenancy agreement (sole or joint) wish to remain in the premises as tenants but apply for other people to become tenants with them; or

This may occur where the number tenants in a joint tenancy decreases, and the remaining tenant(s) would like other people to become tenants with them. Here, at least one party of the original joint tenancy intends to remain as a tenant in the premises.

C. Simple reduction in the number of parties to a joint tenancy

The number of tenants under a joint tenancy is to decrease because one or more of the tenants wish to vacate the premises or has died, but all other tenant(s) wish to remain tenants.

D. Where the Victorian Civil and Administrative Tribunal (VCAT) orders the Department to enter into a tenancy agreement with a person or persons

This can occur in two ways:

- by order under the **Residential Tenancies Act 1997 (RTA) (s.233)** following a creation of tenancy application
- by order under the **RTA (s.233B)** relating to protected persons.

Consideration of how the circumstances of the application impact on the Director's objectives under this policy

In considering whether or not to grant the transfer application, the Director will balance the extent of any likely potential negative impact on the occupant/resident and their household of not transferring with a range of considerations for achieving the Director's objectives under this policy, such as:

- whether the applicant/s meets the general 'wait turn' eligibility criteria
- whether the applicant is eligible for early housing and is currently on the waiting list and their effective date
- the demand for the housing type in question in the relevant broadband area
- whether the property has unique modifications which the applicant and their family do not require
- whether the applicant/s meets Departmental bedroom size requirements etc, (i.e. would granting the application enable the Department to effectively utilise its stock or will the property be under-utilised?)
- whether the new household could reasonably be expected to comply with the terms of the tenancy agreement i.e. pay the rent, not be involved in antisocial behaviour that would result in a breach notice and or subsequent action under the **RTA** (compelling evidence is required before a determination can be made that an applicant cannot be reasonably expected to comply)
- the anticipated waiting time for the applicant/s before being offered Departmental accommodation.