

INQUIRY INTO THE PUBLIC HOUSING RENEWAL PROGRAM

FRIENDS OF PUBLIC HOUSING VICTORIA. (FOPHV)

SUBMISSION - NOVEMBER 2017

Friends of Public Housing Victoria is a grassroots organisation made up of public tenants, and others who support public housing and oppose its privatisation.

We would like to thank the Inquiry for giving us this opportunity to air our very serious concerns, and to convey the perspective of public tenants, regarding Victorian Labor's public housing policy direction.

The Vic Labor government has said that it will be targetting nine 'walk-up' public housing estates - and other smaller enclaves of public housing - for privatisation of public land and private property development, in return for an increase in 10% of 'social housing.' It is calling this the **Public Housing Renewal Program**.

Each Public Housing estate, both the land and the properties, is an entire public asset, belonging to the people of Victoria. **At present.**

Terms of Reference - 'the adequacy of a proposed 10 per cent increase in public housing on the sites given the size of the waiting list for public housing'

According to the government's website 'Stage one of the redevelopment includes 1,100 properties across nine sites in Brunswick, North Melbourne, Heidelberg West, Clifton Hill, Brighton, Prahran, Hawthorn, Northcote and Ascot Vale.' This project involves a massive sale of lucrative publicly owned land and will do virtually nothing to address the 35,000+ people on the Public Housing waiting list and the burgeoning problem of homelessness. To add insult to injury the 3 bedroom units of the housing estates which were designed for community living- will be replaced by 1 and 2 bedroom units- so that the final outcome might be an *actual decrease* in the capacity to house people.

To get an idea of the ratio of private to 'social housing' dwellings- not even guaranteed to be public housing-(more about that later) let's look at figures publicly available based on stated projections of 10% increase and approximations from the end of Aug 2017.

<http://www.fixhousing.com.au/publichousing> - How many units will be constructed at each estate?

Based on approximate data of 8 public housing estates the ratio of 'private' to 'social housing' properties is **4,521** private properties : **188** additional 'social housing' properties. This is an extraordinarily damning statistic. 'In the case of the Flemington estate, over 800 private units will be built alongside a net increase of just 20 social housing units'.

Irrespective of one's political affiliation we should ALL be raising our voices in outrage over this!!

So the answer to the first term of reference regarding '*the adequacy of a proposed 10 per cent increase in public housing on the sites given the size of the waiting list for public housing*' is that the proposed outcome is so inadequate as to be laughable. Furthermore it is doubtful whether it will be an increase in 'public housing' as stated in the term of reference, but much of it might be owned, managed (or both) by Community Housing Organisations which are essentially the same as private landlords under the Residential Tenancy Act.

The deliberately confusing term 'social housing' is an umbrella term for both public housing and community housing. It conflates two very different housing models- 'Public Housing' and 'Community Housing'.

The Andrews government's 'Public Housing Renewal Program' looks to be a lot more about abdicating governmental responsibility by handing over management and/or titles of public housing to private interests, catering to the empire building and greed of the private sector, and privatising public assets- both land and housing.

TOR - Lack of transparency and genuine community consultation with affected residents, neighbouring communities and the broader Victorian community regarding the short, medium and long term implications of the PHRP model as currently proposed.

The general public and public tenants have a right to be *fully informed* about what the government is planning regarding the outcome of each estate. After all these are publicly owned assets, and the future of public housing concerns us all.

Friends of Public Housing Victoria, Fair Go For Pensioners, and the Unitarian Church formed a delegation to attempt to get a straight answer to the question of whether the new 'social housing' properties will be privately or state owned and who will manage them, amongst other matters. After two visits to Minister Foley's advisors, we left without any definitive answers or clarification. We were told that there is much that the state government hasn't decided at this stage. Yet public tenants are being told that they will have to move out by the end of the year and had better start packing...

According to City of Yarra's submission to this inquiry, the Public Housing Renewal Plan outlines that some of the new 'social housing' built to replace what is at present *public housing*, will be owned and managed by Community Housing companies. In these cases then, the Public Housing Renewal Program is a misnomer, because the government will end up neither owning the land, nor holding the titles of the small percentage of newly built 'social housing'!

Another Victorian public asset privatised - by sleight of hand.

We agree with City of Yarra when it states in its submission to this Inquiry, "We note that the Terms of Reference are silent on the role of Community Housing Associations and their proposed management of new developments. This is a curious oversight as Council sees the issue of the transfer of management from the Department of Human Services to Community Housing providers as also having potentially serious implications for tenants"

I am sure that many people responding to this Inquiry are not aware of the role of Community Housing Corporations in the implementation of the Public Housing Renewal Program, and are taking the government at face value when it talks of rebuilding public housing. Yet the future role of the 'Community Housing Associations is a part and parcel of the so-called 'Public Housing Renewal Program' and we cannot talk of one without the other.

Most people, outside the housing industry and service provider bubble, know very little about these companies. In this way the public tenants and the general public are all being kept in the dark, since the media stops short of exposing the full story of the paradigm shift in housing policy; plans which have been in the pipeline for years.

There is a serious lack of public scrutiny regarding Community Housing companies. Their rent-setting policies can vary since they are all separate companies. We know that they can pick and choose who they house, in spite of all the largesse given to them by governments in terms of public properties and financial incentives. And the rules change when the Housing Associations own the titles. The government will have little to no influence over their practices once they own the titles.

It seems that this is what the government has in mind- to get out of the direct provision of housing, and we think that this is an abandonment of its responsibilities and Duty of Care.

Just how much will Community Housing cost the taxpayer if they continue to take over public housing in terms of pocketing a continuous supply of Commonwealth Rent Assistance which could be better used to finance the building of more public housing? Commonwealth Rent Assistance is not required by public tenants since public housing is outside market forces and has already been paid for by the tenants and taxpayer.

We know from the UK Guardian that this course of action has not worked in the UK and yet we are following its housing policy directions. For example, in the 2016-17 budget the peak body for Community Housing, now called Community Housing Industry Victoria, wanted the government to hand over the titles of 12,000 public housing properties to them. They have also made it clear in other documents that governmental guidelines are not legally binding unless a contract is entered into. And in answer to the criticism that they are not picking up the most desperate and destitute of our citizens, they counter that there is no financial compensation paid to them by government to do so.

So one of the major questions we need to ask is this - Is the Public Housing Renewal Program a major step towards the eventual privatisation and demise of true public housing? The government should not hide behind Commercial-in-Confidence by refusing to divulge information regarding the final planned outcome of each public housing estate (and any others it has designs on.)

Now standing at a mere 3% of all housing in Victoria ,we cannot afford to lose any more of this desperately needed resource.

But instead of open democratic debate, the systemic lack of transparency takes the form of endlessly blurring the language to disguise what is really going on. There are no factsheets available for public tenants that adequately explain the differences between public housing and community housing. The general public and public tenants alike, are being confused. The warm and fuzzy appellation of 'community housing' belies the fact that these are often huge corporations. The term 'affordable housing' has been redefined to mean housing that charges rents of up to 80% of the market rents for that particular suburb - hardly affordable for many on low incomes. Even 'public housing' is undergoing a 'definition transformation'. Its latest definition is housing 'managed' but not necessarily owned by the government. Or variations on that theme...

Terms of Reference

- the rights of existing Public Tenants -Other matters of concern -Lack of transparency and genuine community consultation with affected residents (due to confusing terminology) - the short, medium and long term implications of the PHRP model as currently proposed.

Is our peak body committed to the future of public housing, which is what public tenants should be able to expect from their peak body?

The Victorian Public Tenants Association (VPTA) funded by government to 'advocate on behalf of tenants to improve and expand public housing' put out a Policy Position statement called '**20 Year Vision For Public Housing**' and poses the following questions and statements.

VPTA - "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" The VPTA suggests the option that Government sells off all public housing stock to investors on a lease back arrangement, or that the properties become privately owned with management handed over to social/community housing.

It poses the question "What if public housing was not owned or controlled by the state government through DHS?" pp 1,8. The response from Friends of Public Housing Victoria would be- 'In that case it is no longer public housing!'

Personally I have no confidence in our peak body the VPTA, not for any personal reasons, but due to policy position statements such as this document, which I believe are punitive to public tenants and support the privatisation of public housing. I know many public tenants who share this view.

- long term implications of the PHRP model as currently proposed

We predict that short to longterm consequences of further diminishing public housing *-and we are already seeing a lot of this* - will be an ever-increasing rise in homelessness and a hardening of attitudes and policies put in place in order to deal with homeless people. Public money - Commonwealth Rent Assistance -will be misused as an operating subsidy for Community Housing organisations, and if the situation in the the UK is anything to go by, their CEOs will become very rich indeed. There will be a rise in the power of the Churches (organisations like the Salvation Army) who will benefit from the privatisation of public housing by owning and/or managing housing that will attempt to cope with the social fall-out - homelessness and its related social problems. Charity will replace social equity ie- the dignity of having ones own little public housing home one day, will become just a pipe dream... Instead people will live in overcrowded boarding houses, emergency housing, or end up on the street. They will have to rely on charities for food and temporary shelter. Poverty and associated crime will increase, as more and more people's lives unravel, including drug and alcohol abuse. Privatised prisons will become catch-alls for people who, in more enlightened societies, have access to the support they need. People will turn against each other in competition for an increasingly scarce resource ie. housing- racism will increase and arguments about who is more deserving of housing will become more common. The innercity will become a location only for those who can afford to live there- the poor will be delegated to the outer suburbs or even further out, where services are inadequate and connection to the life of the city is lost. We will hear more sad and sordid stories - homeless people bashed and vilified, people exchanging sexual favours for accommodation, fatalities like the homeless squatters who were burnt to death in an abandoned factory in Footscray. The class divide in Australia will become more and more pronounced.

The importance of an adequate provision of genuinely affordable housing to meet the needs of ordinary people, and to ensure a healthy well integrated society, cannot be overstated.

We have already seen how the market will fix nothing - by looking at the projected ratios of private and 'social' housing on the nine public housing estates targetted for the Public Housing Renewal Program.

It is not too late however. It is for all these reasons that Friends of Public Housing Vic is involved in a campaign, Hands Off Public Housing, calling for a moratorium - we need to put a halt to the imminent relocation of vulnerable people from their homes and any further demolition of public housing.

Terms of reference- the lack of public condition assessments of the estates or alternative options such as refurbishment of all or part of the existing housing units;

Friends of Public Housing Vic welcomes an independent condition assessment report. Some public tenants have told us that their homes - far from dilapidated - were fully renovated around 6 years ago. For example-Noone St Public Housing Estate in Clifton Hill, and Ascot Vale. Ascot Vale is home to 1,700 public tenants. We are talking of major million dollar refurbishments requiring tenants to relocated for the course of the upgrade. Why is Labor planning to destroy perfectly good homes in the middle of a housing crisis?

Before tenants are moved out and demolition begins as part of Vic Labor's PHRP, we need to ascertain which estates and which homes genuinely need bulldozing and which do not. It is the position of FOPHV that if homes are safe and comfortable, the tenants should be left alone, and the government should be focussing its attention on building more public housing to meet the desperate need, or fix backlogs of maintenance. Homes that genuinely need demolition should be done in a piecemeal fashion, to avoid the destruction of whole communities and the disappearance of genuine public housing. The estates should remain 100% public housing. This is important because as said previously, only a tiny 3% of all housing in Victoria is public housing.

We think Labor's motivation is more about profits, valuable real-estate, and the off-loading of government responsibilities via privatisation -rather than fixing public housing and adressing homelessness.

Rights of Public Tenants

Destruction of our communities

Public Housing provides an essential public service. It provides housing for people that the private sector ignores because they don't earn enough to be 'viable' to the market. And the good news is it works! Perhaps people will only realise this fact after we have lost public housing. Public Housing has a proud history of providing housing for people, according to their need and without judgement- a truly egalitarian concept.

Public Housing and public tenants have been vilified and stigmatised in the media and I wonder whether this has been politically motivated and driven. All the wonderful things about our diverse multicultural communities go unreported. In fact one would be hard-pressed to find more closeknit and diverse communities than what is found in public housing. Our Public Housing communities are like ecosystems - developed and strengthened over time. They are resilient and vibrant. Our largest group of public tenants, are people with disabilities, our second largest group are elderly pensioners.

Neighbours support, help and look out for one another all the time. There is a lot of love in public housing.

All this will be lost.

The Consultation process - pertinent questions

Friends of Public Housing meets with tenants firsthand - pensioners who are elderly-in their 70s and 80s- people with disabilities, (in and out of hospital), families with infants and school-age children, former refugees and migrants who know very little English. They are confused, frightened and distressed by the thought of having to leave their homes. Already their health is being adversely affected.

Labor has repeatedly said that 3 bedroom units will be replaced by 1 and 2 bedroom units. We have heard that more 1 bedroom units will be built. The 'walk-up' public housing estates were designed for community living, and 3-bedroom units can make up a sizeable proportion of the total bedroom numbers -around half is not uncommon.

Eg. The Walker St Public Housing estate in Northcote currently has 87 units, most of them (56) are three-bedroom units. The resulting plans are for only 5 three-bedroom units to be built! Labor seeks to reassure tenants by claiming that 1 and 2 bedroom units might be combined to create 3 bedroom units, but the numbers still don't add up.

What is coming to light is that there is an expectation that tenants will 'choose' not to return following developments. In fact we have been told that the department expects only 20-30% of public tenants will 'choose' to return following the 'renewal' process, based on past experiences in Kensington and Carlton- and they have shared this expectation with Councils in briefing sessions.

Terms of Reference

- previous Victorian public housing renewal projects, including but not limited to the Kensington, Carlton and Prahran public housing estates;

- whether current tenants will be able to return to the estates;

KENSINGTON

In Kensington, a Public/Private Partnership for the 'redevelopment' of public housing, finally completed in 2012, resulted in **1,000** of the original public tenants never returning home. They were permanently displaced. (The book 'Mixed Communities- Gentrification by Stealth?' p138) The government was reluctant to release this information, but eventually conceded that only 20% of the public tenants 'chose' to return. As the book states, how much choice they had is contestable.

<http://savepublichousing.blogspot.com.au/2015/04/one-thousand-public-tenants-permanently.html>

CARLTON

Dr Kate Shaw, in her paper, 'State of Australian Cities Conference 2013' concerning the redevelopment of the Carlton estate, says "The redevelopment of the Carlton estate in 2008 had the following projected outcome. In evidence to a planning panel hearing for the redevelopment of the Carlton estate, DHS estimated that only 20 percent of the original residents would return on completion (Government of Victoria, 2007) "

Following the completion of the redevelopment in Carlton, a key finding from research, states that **'the main reason people decided not to return was because they were offered units with fewer bedrooms than they felt they needed'** (Iris Levin, Kathy Arthurson) Once again, note the euphemistic use of the word 'decided'.

Minister Foley is exasperated that, despite his pledge (not legally binding) that all public tenants will have 'the right' to return, they are rightfully suspicious that if they leave, they might not be able to come home. Public tenants are worried that the relocations amount to a form of social cleansing to make room for gentrification. In light of these outcomes for public tenants in Kensington and Carlton, it should surprise no-one that the social capital of trust between public tenants and state governments is very thin on the ground.

Some further concerns regarding the rights of public tenants and openness and transparency

Surely the department will have the information beforehand regarding the number of bedrooms available in the newly built units. The plan is that tenants will only be informed of their eligibility to return home after they've left? Why is the information not made available immediately to the tenants?

If the new units are going to be owned and/or managed by Community Housing organisations, won't they be in control of the allocations, eligibility and rent setting?

Some of our ethnic public housing groups, such as families from the Horn of Africa, with typically large families will be unable to return if the 3 bedroom units are demolished. If the end result is that some ethnic groups will be disproportionately affected by the Andrew Government's housing policy, isn't this discrimination?

Conclusion

Very vulnerable people are being told that they have to move out of their homes of many years, their communities, their neighbourhoods, their support structures - into an uncertain future in the middle of a severe housing crisis. Individually, public tenants are very vulnerable to such upheavals. Research from NSW of the social impact of moving elderly tenants from Millers Point in Sydney, obtained under FOI by an independent MP - showed that the NSW government had removed or altered warnings of an increase of the risk of death to elderly residents following their forced relocations.

It seems extraordinary that in order to achieve ends that will largely benefit the private sector the Victorian government is prepared to put vulnerable people at risk. Furthermore the Public Housing Renewal Program is likely to be a form of privatisation of Public Housing in disguise, which should be resisted at all costs.

For all the above reasons, this a Human Rights issue.

Fiona Ross, Spokesperson

Friends of Public Housing Victoria

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