

Parliament of Victoria
STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES
Inquiry into the Public Housing Renewal Program
Submission by Salvatore Furfaro, [REDACTED]

Submission:

The Secretary
 Legal and Social Issues Committee
 Parliament House, Spring Street
 EAST MELBOURNE VIC 3002
 Via email: phrp@parliament.vic.gov.au

I am a practising Architect registered in the State of Victoria (ARBV Registration [REDACTED])
 I graduated and practised in Italy where I mainly designed Public Housing and Local Town Council Planning Schemes.
 I have a strong interest in issues of social justice, democracy and fairness.

Supply and Need

There is a chronic undersupply of Public and Social Housing in Australia and general housing is becoming less and less affordable.

The 2016 Australian Bureau of Statistics Census, (as reported by the Australian Housing and Urban Research Institute – AHURI – Final Report No. 231) [1] shows that Australian households living in public and social housing as a proportion of total households, has fallen from 7.1% in 1991 to 4.2% in 2016 and is trending downward. Comparable equally affluent countries have this proportion at around 15%. This means that Australia provides public and social housing at a quarter of the level provided in equally developed countries.

The inadequacy of public and social housing supply is one reason for which:

... many households do not apply for social housing as the waiting lists are so long that they know it is a futile exercise. More so when a housing agency targets just to those in greatest need ... This means others, who simply cannot afford a private market dwelling are unable to get into public housing and may be told that it is pointless applying even if they meet the income eligibility criteria... as Burke et al. found, almost 50 per cent of private renters in receipt of CRA and eligible for public housing completely rule it out as a viable option or saw it as a last resort and had not applied. (Burke et al. 2004, p.10) [2 – Page 55]

The Victorian Government's Department of Human Services currently states that the number of households waiting for public housing accommodation are 35,717 in the State, 16,765 of which in the Priority Access category [3]. This group includes people with the highest urgency needs: fleeing family violence, having a physical or mental illness or condition and those currently homeless or at risk of homelessness.

This data doesn't reflect the real number of people in need. It only reflects the current classification method - updated to revised criteria of 'need' measurement. The periodic revision of lists and criteria make it very difficult to compare data over time, and the emerging data bears little relationship to actual need resulting from serious affordability problems or the appropriateness of current household accommodation.

In research aimed at arriving at a more realistic understanding of the size of the need, AHURI's Report 287, Modelling housing need in Australia to 2025 states:

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Housing need in Australia is estimated at 1.3 million households, or around 14 per cent of the total number of households predicted in the simulation, rising to 1.7 million, or around 16 per cent, in 2025. [4 – Page 3]

The Report's 2016 estimate for Victoria is of 110,000 households unable to access the housing market and 181,000 requiring rental assistance to alleviate rental stress. These numbers, given existing conditions and unchanging trends, will rise to 291,000 households unable to access the housing market and 462,000 households needing rental assistance in 2025.

In other words, the current number of households living in public housing, as a proportion of total households, would need to be at least 14% to satisfy current needs. Unless this disparity is addressed by an urgent and realistic program of federal and state funding, the situation will further deteriorate to a level unbecoming to a modern developed country.

The suite of initiatives adopted by the Victorian Government in June 2017 with its 'Public Housing Renewal Program' is grossly inadequate and will not make any significant dent in the 35,717 applicants on the public housing waiting list or the 16,765 most vulnerable people.

The initiatives include:

- a. Public Housing Renewal Program across nine public housing estates, involving 1,100 properties.

The stated target, to increase its yield of social housing by 10%, will result in 110 additional apartments, as presumably the existing tenants of the 1,100 properties will be rehoused in the renewed buildings;

- b. 400 homes to be delivered on currently vacant parcels of land;
- c. 2,200 households delivered by government, private and philanthropic sectors;
- d. Rehousing of 40 vulnerable rough sleepers;
- e. 900 dwellings in Preston and Flemington.

One interpretation of the above data indicates the initiatives will result in a total of 3,650 apartments and dwellings; or

A different interpretation, derived from the Victorian Government website [see; <http://www.vic.gov.au/affordablehousing/social-housing.html>] states that the increasing and renewing of social housing stock will involve:

Development of around 6,000 social housing dwellings including new builds, subsidised rentals and renewal of up to 2500 ageing public housing dwellings

Discounting the renewed 2500 dwellings, as their occupiers will presumably have to be rehoused in the redeveloped projects, there will be 3,500 new dwellings.

In either of the 2 interpretations above, the current renewal initiatives, to be delivered over a number of years, will provide very little satisfaction for the great majority of the families on the waiting list.

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According to the Tenants Union of Victoria [see: https://www.tuv.org.au/articles/files/housing_statistics/housing-tenancy-key-statistics-2015.pdf] in January 2015, there were 62,799 household tenants managed by the State Housing Authority and approximately 40,000 families on the waiting list. Therefore, the existing public housing stock would need to be increased by 64% to accommodate those on the waiting list.

The increase would have to be in the order of 264% if it wanted to address the 'real' present need.

The planned increase by 10% of a small part of the existing stock is not a credible strategy to solve the existing and increasing need for public housing.

The example of the Carlton Estate Redevelopment

Furthermore, the recent redevelopment of the Carlton public housing estate, touted by the Victorian Government to be a model to be applied to another 9 estates, has produced some undesirable results and should not be repeated on other sites.

These undesirable results, lessons to be learned from the Carlton redevelopment, are:

- Contrary to the Master Plan provisions for a mixed distribution of public and private housing (so-called salt-and-pepper approach) the development ended up with a segregated 20% proportion of the site for public housing use and a staggering 80% proportion of the site for the exclusive use of private housing. A lost opportunity for social integration and the creation of a cohesive community.
- The existing pre-redevelopment 192 units housed 510 residents. The number of post-redevelopment units is 246, i.e. a nominal increase of 28%, but these units are now housing 349 residents, i.e. a reduction of 32%. A clear reduction in the overall, as well as proportional, number of public tenants on the estate.
- The number of private apartments to be built on the site, forecasted by the Department of Human Services website in 2006 was to be 549. The same website in 2016-17 is now stating that there will be "approximately 800 apartments for private sale", i.e. 76.5% private apartments and 23.5% public apartments on a land which had been 100% for public use.
- The practice of selling publicly-owned land for private development is short-sighted:

AHURI's Report on historic public housing supply and consumption states:

Financial drivers might suggest selling high value stock in the inner and middle ring suburbs or public private partnerships for estate redevelopment in such areas. But this may result in loss of stock in areas with the greatest public transport accessibility and employment opportunities. The same drivers might lead to new construction or purchase on the fringe where land is cheapest but this means locating low-income households in areas of spatial disadvantage, or where the private sector is concentrating low cost rental stock, with the risk of concentrations of poverty. At the time of writing, there is little evidence of an asset strategy dealing with this long-term issue. [2 – Page 27]

When the time comes for the renovation of the newly built apartments, in 25-30 years from now, if renewal and increase of public housing stock relies on the sale of public land, how will we be able to do it?

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Homelessness

The 2006 Census data on homelessness, published in 2012, reported an estimated 89,728 people [5]

The 2011 ABS Census data, updated in 2014, found that there were 105,237 homeless people, of which 22,773 in Victoria [5], an increase of 17.3% since 2006.

According to the Australian Government's Australian Institute of Health and Welfare [6] in 2015-16, 38% of the national clients of Specialist Homeless Services were located in Victoria and of the 33,968 classified as 'Homeless', 7,600 were homeless by reason of:

No shelter or improvised/inadequate dwelling

The 2015-16 homeless number, compared to the 2006 Census number, represents an increase of 149% in a period of 10 years.

The Victorian Government initiatives, where provision have been made for additional accommodation to service the needs of only 40 rough sleepers, is not only grossly inadequate, it shows a lack of care and dereliction of duty.

Families, and the example of the Walker Street Redevelopment in Northcote

The AHURI Report on historic public housing supply and consumption states:

Lone persons are the single largest group in need... However, this is much less than their share in actual allocations between 1996 and 2011. Single persons accounted for the bulk of all the increase in allocations in that period (see Section 4.2). The table also shows that sole parents or coupled families accounted for 36 per cent of unmet need, but again as Section 4.2 reviews, nowhere near this proportion are being allocated public housing. This is likely to be the outcome of the highly targeted system that places emphasis on complex needs in which singles tend to be disproportionately represented, rather than on housing stress which is what most families suffer. It is a concern that families are not getting into social housing despite their need given the importance of stable and affordable housing for family wellbeing. [2 – Page 56]

The change in public housing accommodation profile due to:

One of the major changes has been targeting. This has greatly changed the household composition of those in public housing from three decades ago: whereas families (couples with children, one-parent households and other family types) in 1981 accounted for around 66 per cent of all household types, in 2011 they were down to 44 per cent, and the bulk were sole parents. Lone persons, who accounted for around 7 per cent of households in 1981, comprised 42 per cent in 2011. [2 – Page 58]

In the Walker Street Public Housing Estate Redevelopment, the project document 'Phase one Engagement Report' mentions that:

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Residents of the estate would most likely to see the quality of their housing to be improved to have bigger spaces and possibly even dwellings with four bedrooms for the large families currently living on site [see: page 6].

This notwithstanding, the DHHS response is that:

There will be a range of dwelling sizes delivered at the estate. The majority will be one and two bedroom as these are the highest in demand in Victoria. [see: page 7].

Currently the Walker Street estate is composed of 60% 3-bedroom, 19% 2-bedroom and 22% 1-bedroom units. It appears that the redeveloped complex will not be able to re-accommodate all of the current residents, or satisfy their need for more unit sizes more suitable to their expressed needs.

The 'Phase 2 Engagement Report' mentions:

If your home is replaced as part of the renewal program, you will have the opportunity to return to the estate, if the new homes suit your housing needs. [see: Attachment 6].

In other words: no guarantee that all the current residents will all be able to return to the place.

This worrying program confirms the trend highlighted by the AHURI Report:

There has been considerable re-profiling of the public housing stock to much smaller dwellings and at different rates in different cities. Overall the proportion of stock that is made up of bed sits and one-bedrooms has increased substantially. While on the surface a seemingly logical response to the growth in demand of smaller households (qualified by whether small households really want very small dwellings), it does raise longer term questions around asset management. Unlike larger dwellings, smaller ones are less flexible to changing housing needs and are more expensive to adapt to changing circumstances than a larger dwelling. Moreover, because they can largely only house singles, their capacity to generate an adequate rental income, given the attributes of the household rent formula, is limited. There is a risk that in years to come some of this new stock will be an asset management burden on public housing agencies. [2 – Page 26]

There is a risk, as state housing agencies are increasingly absorbed into Human Service departments and become focused on service integration, that the wider housing role is forgotten. If states are to develop a wider range of strategies to deal with lower income housing and high needs a holistic understanding of the housing system and policies that deal with issues in the private rental sector would appear to be required just as much as internal reform in public housing. [2 – Page 59]

Amenity

The Walker Street Planning Report, at Item 7.3 Landscape and open space states:

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The proposed DPO13 requires the provision of a new open space area, generally located as shown on the Development Concept Plan [see: page 28].

The Concept Plan, at page 21, shows the point indicated with an asterisk. This requirement is not reflected by the 'Potential built form response', carried out by Hayball Architects as part of the design framework, which shows the building forms subdivided into 3 masses, the one on the corner of Walker and High Street separated by an internal road and the other 2 masses separated by a gap providing a visual connection between the internal street and the Merri Creek area. Each of the 3 masses is shown to have a potential landscaped area, over 2 level podia, with car parking underneath.

This massing concept is problematic, not only because it doesn't allow for the required central new open space, but because it engenders the potential for segregation and exclusivity, as the Carlton example has demonstrated. In this case the separation will probably not be a wall, but a segregated courtyard in a 2-storey high enclave.

Unless the public-social housing component is really interspersed across the whole site and mixed-in with the private component, there is no hope for a real mixed-use result.

Responsible Authority?

The Public Housing Renewal Program is being implemented – so far - by the Minister for Planning assuming the role of Responsible Authority. This role is normally a responsibility of Local Councils, administering and enforcing planning scheme regulations in their jurisdictions.

Duly elected Council administrations, unless impeached or expressly renouncing their controlling role, would provide a better guarantee of desirable results as the Responsible Authority as they have in-depth connection with their administered community.

Recommendations:

1. Recognise that there is an emergency: make provisions for an enhanced program of supply of new and renewed Public and Social Housing; take steps to resolve the problem of homelessness, by:
 - a. Requiring that of all the State's building activity be prioritised to address the real need for public, social and affordable housing. This can be achieved with the introduction of **Inclusionary Zoning**, i.e. an **Affordable Housing Overlay** in the planning regulations.
 - b. Implementing a plan - monitored and adjusted according to the achieved results:
 - i. Initially by requiring that at least 50% of the State's building activity be compulsorily for the provision of Public, Social and Affordable Housing;
 - ii. In the medium term adjusting the target to maintain a 15% proportion of building activity for public, social and affordable purposes.
 - c. Establishing, and planning for, the need for community infrastructure and requiring its provision in all large new developments, either directly by the developer, or through development contributions – based on actual population increase (i.e. the number of bedrooms), rather than the current 5% of the area established by the Planning Act and current Planning Regulation provisions.

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- d. Drawing on the evidence from a number of overseas countries, particularly Europe, and adopting the **Housing First** policy towards the homeless for a successful and effective policy that is also less expensive to implement. As an example:

Housing First services are very successful at ending homelessness for homeless people with high support needs. In most cases, European Housing First services end homelessness for at least eight out of every ten people... Success rates in Europe parallel or exceed the results achieved in North America. US studies have reported rates of housing sustainment between 80% and 88%. The recent evaluation of the Canadian At Home/Chez Soi programme reported that Housing First service users spent 73% of their time stably housed over two years, compared to 32% of those receiving other homelessness services. [7 - page 11].

2. That land currently used for public and social housing:
 - a. Is to be maintained in its entirety for the purpose of increasing the public and social housing stock, and
 - b. Is to be used for substantially increasing the provision for public, social and affordable housing;
 - c. Is best suited for community and social infrastructure as opposed to private development;
 - d. Should be used for the significant reduction of homelessness.
3. Confirm the local Council as the Responsible Authority for administering and enforcing the renewal scheme. As an example, the Darebin City Council has repeatedly taken a position of strongly promoting real increment in the provision of public and social housing.
4. Provide guarantees that:
 - a. All the existing tenants will be given accommodation suitable to their needs in the redeveloped sites;
 - b. Tenant relocation will be minimized, by phasing the redevelopment to start with creating new premises into which the first group of people will be transferred, before demolishing the buildings thus vacated.
 - c. The existing tenant community will be able to maintain established relations within the estate and with the surrounding community and facilities.
5. Re-think the Concept Plans and the built-form responses, by:
 - a. Taking the opportunity to segregate car circulation and use to the underground, so that a real central communal area can be created, where a healthier and active lifestyle is possible and where pedestrian and bicycle circulation is promoted. Integrate this new central space to connect in meaningful ways to the surrounding environment and to existing/improved parkland.
 - b. Requiring the provision of green space to the ratio of 10-12m² per person, for real communal use, where the redeveloped estate's users and the neighbouring community can integrate and mingle;
 - c. Require the provision of infrastructure levies or contributions based on:
 - i. The actual needs of the area, as modified by the development
 - ii. Independently determined, Council-led and commissioned studies of need
 - iii. Community consultation and involvement.

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Notes:

[1] – Australian Housing and Urban Research Institute - AHURI – Final Report No. 231 (Last updated 16 August 2017): Census data shows falling proportion of households in social housing
https://www.ahuri.edu.au/policy/ahuri-briefs/census-shows-falling-proportion-of-households-in-social-housing?utm_source=AHURINews&utm_medium=email&utm_campaign=2017Sep1

[2] - 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>>. [22 10 2017].

[3] – Department of Human Services – Public housing waiting list (Last updated 24/10/2017)
<http://www.housing.vic.gov.au/public-housing-waiting-list>

[4] - AHURI Modelling housing need in Australia to 2025 – Final Report 287 – August 2017
Rowley, S., Leishman, C., Baker, E., Bentley, R. and Lester, L. (2017) Modelling housing need in Australia to 2025, AHURI Final Report 287, Australian Housing and Urban Research Institute, Melbourne, <http://www.ahuri.edu.au/research/final-reports/287>, doi: 10.18408/ahuri-8106901.
https://www.ahuri.edu.au/data/assets/pdf_file/0023/14297/AHURI_Final_Report_287-Modelling-housing-need-in-Australia-to-2025v2.pdf

[5] – Australian Bureau of Statistics: Estimating Homelessness, 2006
<http://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/2049.0Media%20Release12006?open=document&tabname=Summary&prodno=2049.0&issue=2006&num=&view=>

[6] - Australian Government – Australian Institute of Health and Welfare – Specialist homeless services 2015-16: Victoria
<https://www.aihw.gov.au/getmedia/d4058209-ff3b-40ab-a53c-0f89262ea7ee/20530-vic.pdf.aspx>

[7] – Housing First Guide Europe
<http://www.housingfirstguide.eu/website/wp-content/uploads/2016/HFG/Chapter1.pdf>