

01.11.17

RE: SUBMISSION TO THE PARLIAMENTARY INQUIRY INTO THE PUBLIC HOUSING RENEWAL PROGRAM

Dear Ms Fitzherbert,

Please find below our submissions in relations to the Legal and Social Issues Committee Inquiry into, Public Housing Renewal Program (PHRP) under the Department of Health and Human Services (DHHS). For ease of review we have structure our submission around the points of the Inquiry as outlined in the Terms of Reference.

- **The adequacy of a proposed 10 per cent increase in public housing (or 1,100 public units) on the sites given the size of the waiting list for public housing**

Victoria is facing a housing crisis. More than 35,000 Victorians are on the public housing waiting list. The PHRP requires developers build 10% more public housing dwellings than currently on the site with projected increase of 1,100 units against the waiting list of 35,000 people. Research conducted by NERA Economic Consulting/Sensing Value¹ found that the 10% increase in public housing stock envisaged by the State Government will still leave a massive shortfall in public housing required in Stonnington. Based on the NERA report, it is estimated that a minimum of 5,407 social housing dwellings will be required by 2022 to maintain the current rates of provision for social housing in each of the three councils and that by 2022 there could be a potential shortfall in the range of 1,093 social housing dwellings in the three council areas. In conclusion the PHRP as currently structured does not provide enough housing to meet projections of population growth.

- **The ability to cater for all demographics including families, couples and singles with the proposed housing mix**

While the number of public housing units may increase by 10% we are concerned that average unit size will be reduced and that there will not be enough diversity of unit type in the housing stock. Greater diversity in housing is needed to meet the accessibility needs of changing demographics and disadvantaged groups. An adequate supply of public housing with appropriate support to cater for those in crisis and/or those with complex needs, such as disabilities, mental illness, substance dependence, women and children affected by family violence, people experiencing homelessness, refugees and asylum seekers, migrants and people released from detention, needs to be planned for and this detail is currently lacking from the PHRP.

- **The allocation of parts of the sites between the proposed new public and private housing units**

Through the PHRP the State Government will hand over development rights of public housing sites to developers allowing them to cram new apartments on the sites which they can then sell for profit on the private market thus privatising sites previously exclusively for social housing. Public housing stock

¹ NERA Economic Consulting/Sensing Value, [Analysis Of The Potential Shortfall Of Social Housing In The Cities Of Bayside, Boroondara And Stonnington By 2022, October 2017](#)

transfer and estate redevelopments in public-private mix are part of a trend that began in Thatcher's Britain. The privatisation of public land to fund upgrades to public housing not only fails to deliver good value for taxpayers, but is unsustainable. At some point there will be further upgrades needed and no land left to sell. The public housing land is effectively being sold to private developers, forgoing any potential future redevelopments.

These developments are at significant risk of prioritising profit over people and creating gross overdevelopment for the sake of high yields. The PHRP tender document notes that ***“where the return achieved by the development proceeds exceeds a benchmark, it is anticipated that there will be an agreed sharing of the excess”***. The government will need to keep a close eye, on the costs and profits declared by the developer to ensure this clause can be enforced.

- **The proposed significant increase in density and heights and any local environmental impacts, such as the loss of open space and mature vegetation**

There is major concern that the access to green space and playground for public housing units will be significantly reduced or altogether eliminated when developers are seeking to maximise the number of private apartments crammed in to maximise developer profits.

- **The removal of planning controls from local councils, and planning implications surrounding communities including existing neighbourhood character, traffic flow and provisions of services**

The PHRP will see the State Government subvert regular planning processes by transferring decision making for these sites in-house to the Minister for Planning. The PHRP may introduce huge 9-storey towers overlooking homes in an area that is only zoned for buildings of up to three storeys. Already the building heights proposed for Bangs Street are a significant departure from the planning provisions approved by Minister in August 2017. This sees residents being denied their usual rights to participate in standard planning processes and rob them of their ability to make reasonable objections as members of their local communities.

We are concerned that a State Government program which will sell public housing sites to developers, breaches its own planning controls and will barely make a dent in the public housing waiting list has been slammed by an alliance of Melbourne councils². We believe the established planning processes should be followed with view to increase provision of affordable and diverse housing stock in locations that provide reasonable access to employment, health-care, public transport, schools and other social and economic facilities.

We also call for PHRP to ensure that the following features are addressed in the planning stage:

- Enforce high minimum standards of durability, energy efficiency, noise insulation, privacy, and water conservation in new and old buildings.
- Adapt public and community housing to mitigate the effects of climate change, such as heat stress.
- Maintain or increase access to community and greens spaces for social housing.

- **The proposed loss of third party appeal rights**

If the Minister for Planning installs himself as the Planning Authority, third party appeal rights could be removed, and councils and residents denied a say on development in their streets thus riding

² <http://www.peoplebeforeprofits.org.au/>

roughshod over hard won local planning schemes and delivering buildings that are out of keeping with neighbourhood character. This will result in significantly reduced amenity for residents and only a minimal gain in public housing.

- **The 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**

Higher-density renewal of public housing often adds private housing to make the project “feasible” for the developers that undertake these redevelopments for governments. Governments justify this with claims that greater socio-economic diversity in these “mixed tenure” redevelopments benefits lower-income and vulnerable residents. If the addition of private housing reduces public housing stock, these residents will be displaced. Even if this doesn’t happen, mixed-tenure neighbourhoods aren’t necessarily better for lower-income residents. The ways these neighbourhoods are designed, developed and managed are central to how well they work. To benefit these residents, these neighbourhoods should be “tenure blind” so that it’s hard to tell which parts are public housing and which parts are private.

Research by Dr. Kate Shaw and Abdullahi Jama³ on the Carlton public housing estate redevelopment supports these conclusions. Their research has found that the social-mix approach to inner-city estate redevelopments in Australia is driven more by an imperative to capitalise on the sale of public land than it is to assist public tenants. Further findings show that public and private residents on the new estate are not mixed. They are divided into separate buildings with separate gardens, explicitly with a view to increasing the value of the private apartments. The less-than-ideal result of the renewal project in Carlton, which is said to have created a development that segregates public housing tenants from those in the private market, is cited as evidence that mixing public and private housing is doomed to fail. It is a bad deal for tenants, the public purse and the community.

The lesson learnt from the above is that involving future residents in design and ensuring they know what they’re moving into, and enabling people to organise their own housing, are far more effective ways of building social harmony than enforcing a rigid notion of mix⁴.

- **Best practice models for the provision of public housing from within Australia and overseas; and any other matters the Committee considers relevant.**

Given the range of public housing explicitly excluded from the scope of the existing consultation on this matter it is essential that the Victorian Parliament acts now to review these proposals to ensure they deliver real benefit to our community. All opportunities should be seized to build as much affordable housing as possible. That’s not just public and community housing, but “key worker” housing, “below market rent” housing, co-op housing and community land trusts. Models for all these exist and should be encouraged and explored.

A diversity of housing types must include diverse sources of funding, with a range of support programs. Greater access to affordable home ownership for lower-income people through mechanisms to facilitate lower-income home ownership should be considered as part of any major public housing programme.

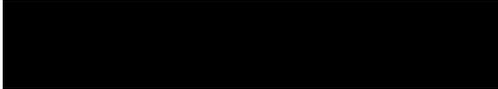
³ [‘Why do we need social mix?’ Analysis of an Australian inner-city public housing estate redevelopment](#)

⁴ Bridge, G., Butler, T., Lees, L. Eds [Mixed Communities: Gentrification by Stealth?](#), Policy Press, 2012

SUBMISSION TO THE PARLIAMENTARY INQUIRY INTO THE PUBLIC HOUSING RENEWAL PROGRAM

We unequivocally support public housing and we believe our communities deserve better quality and more public housing. But the PHRP will deliver very little new public housing, breaches the Government's own recently-introduced planning rules, and side-lines communities from the planning process. Therefore, we call for the current PHRP to be halted and reviewed to include the recommendations of this inquiry.

Yours Sincerely,



John C. Friend-Pereira



Gemma-Jane Copper