

TRANSCRIPT

FAMILY AND COMMUNITY DEVELOPMENT COMMITTEE

Inquiry into the adequacy and future directions of public housing in Victoria

Melbourne — 17 February 2010

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Mr D. Ray, director, policy and public affairs, Victorian Local Governance Association.

The CHAIR — Good morning, and welcome. Thank you for taking the time to appear before this committee. As you aware, this is not a government inquiry; this is a bipartisan parliamentary inquiry. All evidence taken at this hearing is protected by parliamentary privilege as provided for in the Constitution Act 1975 and is further subject to the provisions of the Parliamentary Committees Act 2003, the Defamation Act 2005 and where applicable the provisions of reciprocal legislation in other states and territories. Any comments you make outside the hearing will not be afforded such privilege.

We are recording the proceedings and you will be sent a copy of the transcript. You will be able to make minor adjustments to it if necessary, at that stage. This is a 45-minute session. I invite you to make an oral presentation and if you can, restrict it to 15 to 20 minutes so it can be followed by questions from the panel. Please introduce yourselves; the ball is in your court.

Cr ISER — Thank you. I am Cr Rose Iser, a councillor at Moonee Valley City Council but appearing here as president of the VLGA. Thank you very much for inviting us to speak to you this morning; it is very good to be here. With me is Darren Ray, who will introduce himself when he speaks.

The VLGA is the Victorian Local Governance Association. We are one of the two peak bodies for local government in Victoria. The VLGA has 58 member local governments and 180 group and individual members. Our membership, therefore, is made up of both council and community members, so we speak from both of those perspectives. Our key mission is improving the capacity of government and non-government sectors to work together, and particularly in this case to strengthen the housing opportunities for our communities and the support that is then offered to residents, whether that be affordable housing, social housing or public housing.

In speaking to you today from that perspective the VLGA is attending this inquiry with two central concerns, the first being the supply of public housing. Many of our member councils report, as you would know from hearing all of the people who have presented to you already, a shortage of public housing and waiting lists that impact upon local councils, whether that be through issues of homelessness, crisis accommodation, transitional housing or just the noticeable lack of affordable housing. We are also concerned about the community perspective around that.

There is the issue of undersupply but there is also the issue of how we form sustainable and functional partnerships with other levels of government and with other sector organisations in order to plan and provide sustainable, well supported and well-managed housing that is acceptable to a particular community. Those two key issues from a local government and community perspective are our concern today.

To put some other context around that in terms of the role of local government in dealing with community and public housing issues, as I have said, where there is a lack of supply that obviously has an impact on local councils through issues of homelessness and pressures to find and supply suitable locations for the provision of such housing. The other part of that is of course the responsibilities of local governments, not only under the Local Government Act but also under the Health Act and other instruments, to be concerned about the health and wellbeing of community members and obviously housing and the supports around housing are a key part of anyone's health and wellbeing. Those responsibilities of local government feed into our need to respond to this community need in terms of housing.

Of course, where there are municipalities with high percentages of public housing residents — and as a Moonee Valley councillor I speak as a councillor in the municipality with the second-largest proportion of public housing; in fact in my ward in Moonee Valley — there is a flow-on effect which means that local governments need to work with service agencies to try and provide adequate supports where they are not being provided. Filling that gap in management of supports is something in which local government finds itself playing a key role. There are then the wider issues of social cohesion and cultural diversity. Local governments are increasingly required to pick up the spill-on effects and the services required in those contexts.

As I have said, the two main issues for us are the supply issue and then the planning response around that: the planning for well-serviced, well-located, well-supported solutions to undersupply.

Looking through the particular questions this inquiry has raised around waiting lists, there are obviously things that we can comment on albeit briefly, because they are not our area of expertise, and I am sure you would have heard from many other submitters who have a more on-the-ground approach and knowledge of some of those

aspects. But with respect to the waiting lists we emphasise that the waiting list scenario and any solution, whether it be a segmented approach or whatever other solutions there are, are a symptom of the lack of supply.

Those prioritisations or the necessity to tinker with those and try to find who is most in need and how to find suitable housing quickly for the most needy recipients are a symptom of there being insufficient housing in the first place. We strongly emphasise the need to address the undersupply as a priority as opposed to anticipating and hoping that tinkering with the waiting list system will produce an acceptable outcome in the long run.

With respect to public housing being restricted to only those on low incomes, we also come from the perspective that local councils are looking for an integrated solution to public housing and that low incomes fluctuate over time depending on people's situations. A mix of housing and a mix of tenancies in the long term creates a more sustainable community that does not have an over-intensification of disadvantage.

There are two points: if low income is a criteria, that can fluctuate but also looking at the way in which public housing can be provided to capture a diverse community within a particular setting. We believe that security of tenure is an important aspect of public housing. We also believe that public housing that is made available on a short to medium-term basis does not provide the long-term security that is required for a person to be a fully effective and engaged resident in a community and we would not support that kind of approach.

In respect of the question of whether the quality and standards of public housing are adequate, there is a great variance in the type of public housing provided. We have members who have benefited from neighbourhood renewal. There has been a very successful neighbourhood renewal program in some public housing. Others are waiting for that renewal and the 20-year-old buildings, particularly the high-rise ones, are inadequate in terms of meeting environmental standards.

Also, now that local governments are responsible for a heatwave management strategies through DHS there is an urgent need to ensure that public housing is of a standard that allows local governments to implement an effective heatwave response. That is particularly the case for high-rise estates that have not undergone any degree of neighbourhood renewal over the past 20 years. There is certainly a need for federal and state governments to urgently prioritise the upgrade of public housing.

On the question of whether there needs to be clearer minimum standards, I know you would have heard from many advocates on that question and we would support all of their calls for a stronger discussion on adequate standards for public housing, taking on issues of accessibility, habitability and most importantly the availability of services, facilities and infrastructure.

The question around the responsiveness of Office of Housing staff to complaints about public housing tenants: while obviously I am speaking as VLGA president, I cannot forgo this opportunity to mention that the Flemington housing estate, which I represent as councillor, has 4000 residents and yet no Office of Housing staff on the site, despite numerous pleas from the residents who have to travel to Ascot Vale to have any complaint responded to. Although there are phone lines and translator services, it is very difficult for marginalised, non-English-speaking, newly arrived residents to access the maintenance, the Office of Housing assistance — whether it be around tenancy, changes to employment status et cetera — if there are no actual Office of Housing staff on site for such a large estate.

I understand that most other estates of that size would certainly have available staff and the availability of translator services et cetera, but obviously the variability of that kind of provision of basic service from the management needs to be highlighted if we are looking at how responsive Office of Housing staff are to complaints.

With respect to safety and location, I have mentioned before the increasing call from member councils around diverse settings and avoiding high concentrations of people with multiple and complex needs, and I guess that is also part of addressing issues of safety of residents and then specific needs of whether it be women or elderly residents, although there is some success in concentrating with maybe elderly residents together for the provision of services needing to be balanced against the safety issues as well and diversity helping to improve that safety.

In the interests of time, at this point I might pass to Darren to talk about perhaps the future directions of housing, as we see it, and if there are other points at the end, I will make those.

Mr RAY — In terms of the future directions, we are quite willing to go out on a limb, to be more ambitious on this topic. There are mixed views. I have read some of the submissions in the evidence put to the committee and there are mixed views about whether that should solely be a significant federal and/or state government investment alone, what the contribution of the market is, what the contribution of community housing providers should be.

We do not think it is realistic to expect that the significant problems with quality and standards which will take billions of dollars over several decades to fix can actually rely on, nor should it rely on, state government and federal government interventions or investments alone. It is a both a challenge that is out of scale with other community needs and, we would argue, going back to Rose's opening comments about a holistic approach of all partners to this problem, or to these issues we all seek to fix, it would not resolve these.

What I would say is that with the growth of supply, we should not resile from the fact that that is a core state and federal government responsibility. But there is an opportunity here to look at different models of engaging with and encouraging the community housing sector and the market to respond.

We have the most advanced regulatory model in the world that we have inherited from the UK in terms of the registration of housing associations and community housing providers. Yet it has always struck me as being ironic that although we have the most advanced regulatory system in Australia, we really have a community housing sector and growth vehicles, such as affordable housing associations, who are running a three-legged race. We do not have a systemic funding approach by government of really allowing that growth to continue unbridled, and 'unbridled' perhaps is the wrong word, but really to blossom. Because in the end funding from the Office of Housing is still based on a case-by-case basis.

So a simple reform such as releasing \$5 million each to the nine affordable housing associations, for example — not that the figure is scientific in any way — but we would say to those organisations, rather than having to go through the application process on a case-by-case basis. This would send clear messages that 'we have faith in you; we have regulated you; we know that you are kosher; we believe that actually \$5 million might allow your growth to blossom'. After all, we are talking about leveraging debt by those community housing providers and affordable housing associations, so we would say that we have the conditions for a significant growth of the community housing sector and affordable housing associations.

Yet there is still this age-old myth, both in the bureaucracy and I would suggest at all levels of government, that community housing providers are 'tin pot operations' that would not know how to deliver a development. It is no longer the case. They are no longer cooperatives who do not know how to run balance sheets. They are, especially the affordable housing associations, quite credible organisations, and we would say that we think the evidence will show in 10 years time that the standards of housing will improve. You can walk down a street, frankly, and say, 'That is public housing', because often the tenders go with the cheapest provider. Yet perhaps because of the hurdles that community housing providers have to jump in order to get approvals from local governments mean that the way they look, their habitability and accessibility standards are higher.

At the moment we have only got anecdotal evidence of that from many who talk about the 'walking-down-the-street test', but I think in 10 years time we will no longer have the myths about community housing providers and affordable housing associations.

There is a range of other models that are just not getting air play at the moment because we think of this unfortunate 'oil and water' approach which reflects a lack of trust and confidence by the bureaucracy and government in community housing providers, and the other way around.

There is an opportunity for subsidised land; development partnerships with community housing providers; local governments and state governments getting together and looking at a register, particularly in regional locations; of rail land, under-utilised land, land that is sitting empty that could leverage either development on that land or income that could go to mixed housing developments elsewhere. I just want to re-emphasise Rose's point that we are not talking about using those sites for more high-rises; we are talking about mixed tenancies, mixed housing tenures and mixed types of residences.

From a local government perspective, if you read *Homelessness 2020*, which is a welcome State Government policy document, it predominantly talks about the role of local government in two areas, as both a preventative

and early intervention site and, as Rose said earlier, local governments often pick up the pieces of service gaps, meal programs, community health services, community transport and bus services, a whole range of services, particularly those inner city and regional councils where the homelessness issues are a lot more obvious.

But local governments can do a lot more if the mistrust and the rhetoric of joined-up government and shared responsibility is actually delivered on.

Local governments can bring to the table their own under-utilised land as a subsidy and there has to be a subsidy. There is no way that you are going to get significant affordable housing or more public housing and community housing in activity centres, for example, without an implied subsidy because in the activity centres, the real estate values are going up. So whilst you could do that in and around Balaclava train station, as Helen would know, the prices for one or two-bedroom units would be so unaffordable, whereas there is land just adjacent to the train station that is owned by the council, which the council is willing to throw in, so sitting down and having a genuine partnership discussion.

At the moment there is mistrust on both sides, a lack of belief in the ability of all levels of government and the community housing sector to work in partnership, so for that to change there has to be a bipartisan acknowledgement that partnership needs to be more than rhetoric.

The CHAIR — Thank you very much for that detailed presentation from both of you. Some of the witnesses who have appeared before the committee have recommended inclusionary zoning. You are aware of them?

Mr RAY — Yes.

The CHAIR — It needs legislative change and I believe also local government level planning amendments. What is your view on that? Do you think it is something easily achievable easily or what are the barriers?

Mr RAY — I think attitude is a barrier. If you mention the words ‘inclusionary zoning’ in certain bureaucratic circles they are dirty words, and yet you have four groups of councils from different political spectrums, I might observe, in the IMAP group of councils — Stonnington, Yarra, Port Phillip and Melbourne — that are ready to go. They have got the model, and I believe they are in correspondence with the minister and the state government about pursuing that. It was one of the recommendations that came from the regional housing statements process, which was a really good process in 2005–07. They are ready to go.

I come from a housing background of many years, and developers say to me, ‘We don’t care what the rules are. Just make one set of rules for everybody so that there is certainty and we will factor those costs into our development responses’. In and around activity centres it strikes me that if you have a pilot group of councils and those inner city locations ready to go now, then all it takes is a regional planning scheme amendment endorsed by the Minister, and they are ready to go.

I do not think the evidence is as mixed as some bureaucrats might lead you to believe. Certainly the early days of inclusionary zoning, because there was a lack of certainty about the rates and implementation in the UK, were problematic, but I think we have moved beyond that. If you talk to a lot of big developers they say, ‘Happy to factor it in; just tell us what the rules are’.

Cr ISER — If I could also add to that, I do not think it is possible to overstate at the moment the concern of local governments about consultation in planning. To add to what Darren is saying, most processes are possible. The hesitancy or the barriers we are seeing around planning from a local government perspective at the moment are around a sense of lack of consultation and partnership around any proposals, whether it be social housing projects and ministerial capacity to deal with those unilaterally. I think there is a welcoming from the local government sector to find solutions provided they are consultative solutions rather than imposed solutions.

The CHAIR — Partnership between?

Cr ISER — Local governments, state government and of course management and the housing sector as well in this case.

Mrs POWELL — You mentioned the responsibility to councils under different acts because of a shortage of supply of public housing or affordable housing. One of the issues that we have heard about as evidence

coming before the committee is overcrowding in homes. It might be refugees who come into an area and cannot find affordable housing public housing, so they live with families. One of the problems that raises for local government is that under the Health Act there have to be a certain number of residents in a home per toilet and so forth. Does that cause a huge burden on councils having to inspect those if they get complaints, and what can they do about that?

Mr RAY — There is really patchy practice across the sector. The government, as you would know, has tackled the issue of illegal rooming houses recently and increased enforcement resources in suburbs. In Marlene's electorate in particular there were some hotspots, but there is good council and local government practice in your electorate. It is very patchy across the state. There needs to be some resources put into bringing those local governments together.

Issues about how you identify the landowner are very complex. Who is it that is actually in effective control of the unit that has 10 refugees — or students, for that matter — living in a one-bedroom flat? It is patchy practice. There is room there for sharing of the knowledge across the sector, but it is a very complex issue when it comes to enforcement.

If you look at most local governments, which now have well in advance of 80 services and hundreds of kilometres of roads, even the smaller councils — and in the case of rural councils, thousands of kilometres of roads — and everything else that is core business, when it comes down to enforcement resources there are often very few enforcement staff, particularly in smaller councils, to do that.

When you are talking about observations at night, unsightly premises, vermin and all those other triggers in the Health Act, it is an absolute minefield for an enforcement officer to do that. It is easier for big councils, a real challenge for smaller ones.

Cr ISER — But just like the heatwave issue that has been passed to local governments, there is absolutely the capacity to deliver on that, and most local governments have produced terrific strategies around how to deliver on that, as they have around enforcement issues on housing matters. It is about that issue of resources yet again to enable particularly smaller councils to deliver on those strategies.

Mr NOONAN — Thanks for your submission. I also want to return to the inclusionary zoning matters, because I was unaware that Stonnington, Yarra, Melbourne and Port Phillip, as the four, are a bit keen to go with this, subject to the need to have regional planning scheme amendments locked in place as you have described. I wonder whether you can describe the model that has been discussed and perhaps developed with those four. Is it based on general planning permits? Is it based on rezoning applications where you might have, let us say, industrial-based land where there is an application for redevelopment for, let us say, residential? That could be a windfall for the applicant, depending on where that land is, but certainly in a place like Moonee Valley I would have thought it would be very profitable for perhaps developers in that situation. Is there any correlation with what has happened in New South Wales and South Australia, where I understand enabling legislation has happened in those two states?

Mr RAY — In South Australia, whilst the 15 per cent inclusionary zoning target is a legislative goal, there is mixed evidence as to whether it is actually being achieved across the board in larger developments.

In terms of the inner city councils, when I was a councillor and mayor at the City of Port Phillip — and this issue has been on the four councils' agendas for about eight or nine years — it certainly was across the board, because of course there are not many brownfield or greenfield sites in the inner city, so the ability for value capture as would exist out in brownfield or greenfield sites is much less. It is more about infill opportunities. The approach to inclusionary zoning was across the board, so it would be a target for all sites, not necessarily just rezoning sites.

I say that with a bit of a rider in that the latest iteration of it, given that I retired in November 2008, I cannot be 100 per cent sure about. I would be surprised if it was different from that, but the committee might want to check that with the four councils or the minister's office.

Mr NOONAN — Is this for every planning permit, so this takes out the rezoning applications and just deals with planning permits?

Mr RAY — It is above a threshold for developments, so — —

Mr NOONAN — What is the threshold then?

Mr RAY — Back when I was aware, it was above 25 units. Whether that has changed, you would need to check with those councils.

Mr FINN — Rose, I hear what you say about the need for consultation and joint ownership of various projects and also the importance of planning in putting public housing where services are and it being a part of health and wellbeing and so forth. I am wondering how adversely affected that is, with the constant undermining of local government planning powers by the state government.

Cr ISER — I think the answer to that is almost in the question itself really, isn't it? Obviously the planning strains on local government at the moment are something that we are very vocal about. There is, across the board, dissatisfaction with an approach to solving planning issues through imposed solutions without consultation. I can say that recently at our mayoral weekend that we held and at which Jeanette was present the mayors in fact put together a communiqué on a list of issues around social housing projects at the moment. The key issue is around consultation, whether it is consultation for the location or around the management models of any proposed social housing as opposed to necessarily public housing projects.

Bernie, in answer to your question, there is widespread, comprehensive dissatisfaction with an approach to planning at the moment that is non-consultative. Any solution to public housing crisis just cannot go down that route.

Mr FINN — Is it your concern that if this approach by Minister Madden continues and we have public housing put in places that are inappropriate, local government will be left to pick up the pieces?

Cr ISER — I think what local governments want to see in any public housing or social housing project is that at that initial stage, stage 1 of planning, attention is given to the management model and the facilities and services that highly needy residents are likely to require. Without that being implicit in the initial stages, inevitably there are going to be unresolved issues that local government will adopt strategies and policies to manage.

Mr RAY — Could I just add to that? It is not just Minister Madden; it is every state government and territory minister around the country, because with regard to the funds flowing for social housing projects from the Federal Government's economic stimulus, a condition for the states receiving those funds and disbursing them was that the states had to waive local government planning powers or any other barriers. So VC56 that went through was not optional for this government nor any other state government. The Federal Government made that so that things were shovel-ready.

Mr FINN — So this attitude towards planning by the state government is a new phenomena, is it? It has only been happening in the last 18 months or so.

Mr RAY — No, I was not meaning to contradict your overall point. I was just wanting to point that out and then go on to say that the impact of that, to focus on yield over appropriateness, has actually had quite profound impacts in some communities — Frankston, Kingston and others. Even local government are restricted to 3 to 5 days, and the expectation is that local governments will advise the residents about the applications. How can you do that in 3 to 5 days?

That has actually exacerbated that sense of, 'We are being planned at or for rather than with'. I think the point Cr Iser is making is that in this area, which is fundamentally about social inclusion and disadvantage, and given the backlash in the communities to the pulling away of planning powers, it is the one example where partnership must be pursued.

Just to complete my answer on the early planning stages, one of things that communities found very hard to deal with was that there were discussions happening between FaHCSIA and DHS Office of Housing bureaucrats, and staff within councils, talking about proposals, but no discussion across the organisation or with councillors or communities about options. I understand that the Federal Government had its mandate. It said it wanted economic growth, and the focus was on actually delivering, but the impact in local communities in terms of the

lack of consultation has been to drive up cynicism. I think you will probably see that demonstrated pretty loudly over the next 12 months.

Mr SCHEFFER — Yesterday we heard Mr Bryan Lipmann, who you would know is the CEO of Wintringham Housing. That organisation has received funding, I think, in the order of \$34 million to considerably expand its social housing components. I think he surprised the committee by talking about the difficulties he had in one of the developments where his group and others have been fairly badly treated in the public consultations.

From my recollection he also mentioned — and I do not want to put words in his mouth; you would have to look at the transcript yourself — that these developments were the subject of, I suppose, politicking, where they were being used as vehicles for obstructing broader policy. That was one kind of picture he presented. The other side of it is that he also said very clearly that fast-tracking of projects that had very important social consequences was important, because they should not be held hostage to this kind of politicking.

So, yes, I absolutely agree about planning co-operation and consultation and organisational harmony, but on the other hand you are acting in a very volatile and vexed political environment where these vehicles are not used in their optimal way. Could I ask you to just reflect on the general dilemma?

Mr RAY — On the whole issue of backlash, local government is at the coalface of the backlash. You hear about it in the local papers. There is no doubt that local government in terms of elected councillors coming under pressure, staff coming under pressure, is absolutely combative territory in a lot of examples, but there is a complete lack of investment in actually changing that, changing community attitudes.

One of the greatest myths of social housing projects — and I will use colloquial or colourful language — is that most of the people coming into the housing are ‘smack addicts from Mars’. It is, ‘We do want them coming into our community, those complex types’, but the reality is that they already live in that community. They have insecure housing; therefore the step to secure housing is likely to dissipate some of the other problematic behaviours and health conditions.

We just cope with the politics, I suppose, or suffer from the coalface politics, but there is no acknowledgement from state or federal government levels which are running social inclusion agendas that attitudes need to change, need to be dealt with in the local community. The only way that is going to happen is a partnership between all three levels.

Mr SCHEFFER — Just homing in on that because this is a serious issue, what two or three steps need to happen to make a positive difference here, because you hear different stories from different sides — yes, there is consultation; no, there is not. What is the truth of it, from your point of view?

Cr ISER — This is an issue that was raised with 30 mayors at our Essential Mayors’ Weekend in terms of, ‘How do you overcome those political issues?’. Certainly the point about community discussion, community information, further information being provided about types of housing, what sorts of residents require that type of housing, what the consequences are if that housing is not provided, and what the advantages and benefits are for the community with that housing, as Darren says, providing — —

Mr SCHEFFER — Rose, sorry to interrupt, but those forums are precisely the field on which this politics is played out. When those forums are conducted — —

Cr ISER — I am not talking about forums. Education information does not have to be conducted in forums. There are many ways of working with residents associations, retail associations, existing services, schools. The other thing that I think could also be a useful step would be to take the communities which do have large percentages of public housing and to invite those committees to exemplify themselves in terms of the successes there and to tell those stories to communities who may be experiencing some backlash and some fear and to tell those stories in innovative and creative ways. It is not through your public meeting where everyone throws tomatoes, but by talking with school groups — —

Mr NOONAN — Or spits.

Cr ISER — Or worse, yes. There are success stories that can help to convey those messages. As Darren says, there are the stories about what happens if housing is not provided. I think developers experience the worst possible scenario when there is a consultation process that results in a torrid public meeting.

Mr SCHEFFER — What about local political leadership?

Cr ISER — I think that obviously has a role. The mayors on that weekend absolutely acknowledged that and the requirement for leadership. I have a copy of the communiqué that was put together here if anyone is interested. I can perhaps leave that with you.

In terms of political leadership, the answer is ‘absolutely’. A frustration is that often in the eagerness to push through projects, concerns are dismissed as backlash around the types of people rather than legitimate concerns about planning issues, supports, infrastructure and services. Some councillors expressed the view that they felt their concerns about planning were translated into concerns about social housing per se and that they were not fairly being dealt with as a planning concern but were tainted as prejudicial and therefore dismissed in that way. So there is a frustration as well to counter what you have put forward.

Mr RAY — Tomorrow and Friday I am going up to Sydney representing the VLGA to attend the National Affordable Housing Exchange where that is the very topic — that is, how do we actually do with politics. Gary Spivak, the housing officer of Port Philip Council, and I are facilitating a workshop on that for community housing providers, developers and others.

My simple answer is that we can all get a lot better. We are not honest with voters and residents about their role in those consultations. We are not up front in saying to them, ‘Use is off limits’. If we said that at the beginning — —

Mr SCHEFFER — Sorry, what is off limits?

Mr RAY — The land use is off limits. We do not describe what our powers are. In fact I think we are pretty lazy at both levels of government. We talk about public consultation, but we are not honest and up front about whether it is to inform or whether it is to empower. If my practice over 10 years was to walk into a planning consultation to say openly, ‘These issues are up for grabs and these issues are not for these reasons’ and there would be policy reasons why they were not up for grabs.

I have to tell you that people, rather than walking into a room expecting that whatever they say will be listened to, if you are really obvious and clear with them about what influence they can have in which areas, they get it. We are not really good at that stuff.

Mrs SHARDEY — Nice to see you, Darren. I want to bring together a few things. Previously we heard from Professor Terry Burke, who raised a number of issues. He talked about a segmented waiting list, and the fact that segments 1 and 2 are now predominantly those where clients get housing. If you happen to be in segment 3 or 4, your chances of attaining public housing are very much diminished. This led into enclaves of disadvantage where we have a large number of people living in the one area who are suffering complex needs. He talked about some of the things and the ways we could look at perhaps breaking this up.

Previously we looked at the Kensington estate in the way that introduced a diversity and mix. But he also talked about some other things. He talked about client choice and where they go to live. He looked at locally based allocations where the actual Office of Housing or area gets to choose people based on certain things like opportunities for employment, strengthening the community and local support where there are issues around drug abuse and they can be supported. So in other words it is trying to match the client with a location rather than saying, ‘Here is a house’ and then putting that person in. We have also talked about inclusion rezoning and how that might play out. But mixed up with all of this are various types of plans that are occurring by the state government. One of them is activity centres, but also transport hubs. I raise transport hubs because Caulfield is being identified as a possible transport hub where you are going to have — or what is envisioned — high-density housing. The idea is a walk and ride. So if you want to go to work in the city, you walk to the station or you ride. There will be housing available.

In theory looking at inclusionary zoning, you would envision that some of that high-density could be allocated to public housing. But if you did not have a mix of clients, you would have a major problem. Prof. Burke has

talked about perhaps public housing in being more for categories 3 and 4 and for a particular part of the community housing sector being responsible for all complex clients and extra resourcing for their support. I have thrown a lot of things together, but I think it is sort of trying to get a picture of what is realistic and what can be done.

Mr RAY — I think Caulfield is a really good example, because it is my understanding that the council there who has mixed views on densification are big fans of a significant housing project right next to the Caulfield train station which would involve some low-income housing as well, but the thing that is getting in the way is the issue of how there seems to be a lack of movement on the Caulfield raceway at Caulfield racetrack in the future.

Mrs SHARDEY — It is a very complex issue.

Mr RAY — Very complex. I think it is interesting to see that council willing to support the Melbourne 2030 principles for developments there, but there are barriers that are being put in its way. I think that is really sad, particularly for such an important train station as Caulfield.

Mrs SHARDEY — The racecourse development outside the racecourse is different to the transport hub.

Mr RAY — True, but nevertheless the issue of open space, land swaps and the ability to provide all of that social and physical infrastructure for such intensification of housing is linked as the council has certainly pointed out to us.

In terms of the segmentation, I do not believe personally there is an answer, a scientific solution, to turning back segment 1 versus segment 3 because of the very first point that Rose made which is the context of undersupply. Clearly some rationing has to take place. We are big fans of more social mix, but whether the community housing sector becomes responsible for segment 1 — —

Cr ISER — It depends on its capacity.

Mr RAY — It depends on its capacity to provide the support. Clearly segment 1 clients need more support. In some settings it works better. The South Melbourne estate is a great example of an estate that actually works fairly well from adversity point of view because of the concentration of Russian families. But the council provides enormous services to that community in terms of community buses to and from (inaudible) — if they are Jewish — or to and from their medical centres and to and from the South Melbourne Market and cheap food outlets. It is all interlinked.

In terms of choice-based lettings — and I know we are running out of time — from a client point of view, and we did overhear the Tenants Union of Victoria I think positively talking about choice-based lettings. I think the research is a little bit more mixed as to the costs and benefits. I do not know whether anybody has brought the AHURI research on the UK to your attention, but if not, I can provide a link to Janine with that. But it is very mixed. It actually warns against the introduction of choice-based lettings just as a response, because you have to consider the Victorian context and segmentation in particular.

Ms KAIROUZ — I will be very quick because we are running out of time. It is good to see their VLGA is still very active — that is very good. As you are aware, I was in local council, Darebin City Council, for 10 years. You are right: councils are put under a lot of pressure and so are bureaucrats in the council. The area of Darebin has a good social housing mix. A lot of the objections that came from the community were about the types of people that were going to live there. They were not necessarily about the planning application. There is a particular example. I do not know whether you have heard of the Roberts Street example, but I think the state government did a very good job in working with the local community in partnership with the council. You seemed to infer that the state government is not really taking into consideration the planning objections or the issues, and that it is very difficult for you to communicate that to the objectors, or the councillors putting their view forward. Are you able to give us a specific example of where that has occurred?

Cr ISER — Yes, and I think the minister is aware of this. It is the Frankston example, which many of you would be aware of as well, where the council feels frustrated that planning concerns are not being decoupled from other objections, and they certainly have planning concerns that they would like to have separated from any sort of prejudicial attitudinal response.

Ms KAIROUZ — We have heard about this, and we have had the minister get up in the chamber and try to defend this project. I believe it has become quite politicised. But do you really think that the council had absolutely no input? Would anyone believe that it would go to a planning minister, or any minister, and he would just stamp it without looking at it and without saying, ‘Hang on, the rooms are not big enough, there is no light coming in here’, and that he would just go ahead and stamp it without looking at it?

Cr ISER — I think you would have to talk to the Frankston councillors and get their accounts of their experience of the frustration. They have certainly conveyed to us that the planning frustrations they feel have not been given due weight. I do not know what process the minister has undertaken to try to address the Frankston councillors’ concerns, if any process has been undertaken, but I am not aware of that.

Mr RAY — I might just add to that, there were significant concerns from the council about the actual internal amenity of that building. There is no doubt that there were politics at play. There is no doubt that there were repugnant leaflets distributed by certain people in the community and there were rumours about certain people involved in the political process — there is no doubt about that. The council, and the mayor in particular, was really concerned that the two were conflated, that therefore it became almost an accusation against Frankston that the council itself was against community housing or social housing. They had some real legitimate concerns about the amenity of the building.

I do not think the minister would rubber stamp it, because his department would give him advice about the amenity. But I go back to one of my original points. When the national economic stimulus focus is on yield, rather than appropriateness, I would actually question the institutional bias to giving the tick, rather than the question mark.

The other example I will quickly reference is the Woodstock development in my ward when I was a councillor. That was horribly contentious. I was threatened with being thrown out; instead it increased my vote. That is another myth, that if you are a councillor and you support one of these projects, you are going to be thrown out. That is a myth for which we need to provide support to political leaders.

Going back to Johan’s question when he asked about two things that could really improve the system and address this backlash issue, and providing examples of support to the political leaders and to the bureaucratic leaders, you can survive the backlash if you get these following supports, and that is what the next two days in Sydney is about. But the second one is post-occupancy surveys which are critically important. The fact is that communities are concerned with the type of residents rather than the amenity — and we have got to acknowledge that exists — but a survey of the street prior to a development occurring will mostly get a fairly negative response. In every case where the Port Phillip Housing Association has gone in and done a post-occupancy survey of the attitudes of the residents who were previously very anti the development, they do not even know it is there, so those sorts of post-occupancy attitudes should be publicised, firstly, as opposed to the attitudes that previously existed, when the next application comes up.

The CHAIR — Thank you very much. The committee appreciates your attendance.

Witnesses withdrew.