

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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Witnesses

Ms M. Crawford, director of housing and executive director of housing and community building,

Ms A. Congleton, acting director, policy and strategy,

Mr R. Deyell, director, public housing and community building, and

Mr M. Darmody, director, finance and business services, housing and community building, ,
Department of Human Services.

The CHAIR — Welcome, and thank you for appearing before the committee. As you know, this is not a government inquiry, it is a bipartisan parliamentary inquiry. All evidence taken at this hearing is protected by parliamentary privilege as provided under the Constitution Act 1975. It 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 the transcript, if necessary, at that stage.

This is a 45-minute session. I invite you to make a verbal submission restricted to about 15 to 20 minutes, if you can. This will be followed by questions from the panel. Could you first please introduce yourself with your terms of reference so that can be recorded by Hansard.

Ms CRAWFORD — I am Margaret Crawford. I have held the position of director of housing for exactly two years; my anniversary was last week. Could I also introduce my colleagues. Firstly, on my left is Richard Deyell, who is the director of public housing and community building. To my right is Anne Congleton, who is the acting director of policy and strategy, and on my far left is Mark Darmody, director of finance and business services. I should have said that my position is really twofold: one is as director of housing, but I am also the executive director of housing and community building within the Department of Human Services.

Overheads shown

Ms CRAWFORD — I have handed out a brief presentation. I thought it would be useful to have some context and an overview of some of the challenges facing public and social housing in Victoria and how we are responding.

Slide 1 explains some of the terminology because there is a bit of confusion around that. I will not be talking just about public housing; we tend to use the broader term ‘social housing’ which also encompasses stock that is either owned or managed by the community sector for low-income households. It is very important to see public and social housing as just one part of the total housing system. We are a very small part of that and, increasingly, our efforts are directed at trying to extend the level of private sector investment in more affordable housing options.

Slide 2 outlines the responsibilities of the director of housing. The director of housing broadly has responsibility for the provision of housing and homelessness services either through direct provision or through funding but also through regulation and broader policy development. The main pieces of legislation that are relevant to us are the Housing Act 1983 and the Residential Tenancies Act 1997.

Slide 3 depicts the magnitude and type of the major services we deliver or fund across housing and homelessness in Victoria. Public housing, as you can see, at 65 200 units — that is at the end of June 2009 — is stock directly owned and directly managed by the director of housing. Aboriginal housing is pretty much as it says: indigenous specific housing, in large part managed by Aboriginal Housing Victoria. Community-managed housing refers to stock owned and/or managed by registered housing associations, and there are now nine registered housing associations and 31 registered providers.

Slide 4 looks at the history of public housing in Victoria. As you would know, the face of public and social housing has changed substantially since its beginning as the Housing Commission in 1938. Back then it was established to improve conditions for those living in the State’s slums and shanties. Once upon a time it predominantly housed workers and their families, but today priority is given to those most in need; for example, women escaping family violence, homeless people, people requiring disability modifications, new migrants and the like. Almost 70 per cent of our allocations in any year now go to the greatest need categories.

Slide 5 provides a broad breakdown of the people housed in public housing. As you can see, 22 per cent are single-parent families, 40 per cent are older Victorians. Also, unfortunately, not many of our tenants are in the workforce, and, as I have just said, almost 70 per cent of our allocations go to those most in need, many of whom have been homeless.

Slide 6 — I guess most people identify public housing as those tower buildings in parts of Melbourne but really public housing is far more diverse than that, as is shown in this slide. It is also important to note that one-third of our stock is located in rural and regional areas.

Slide 7 shows the breakdown of our waiting list. As at the end of December last year there were 38 781 people registered on our waiting list. The largest category is single people, followed by single-parent families. I am sure you are wondering what the 101 head office number is. I think we gave a wrong answer previously. That 101 relates to people who have applied for a movable unit, and we manage that stock of movable units centrally.

Mrs SHARDEY — Do you have a number for transfers — both early housing and wait-turn transfers?

Ms CRAWFORD — We do, but I do not have it with me.

Ms CONGLETON — No, that would be in the Summary of Housing Assistance.

Ms CRAWFORD — Yes, I do not have that with me, but we can certainly get that.

Mrs SHARDEY — Thank you.

Ms CRAWFORD — Referring now to slide 8, since 1999 the waitlist in Victoria has been segmented to give priority to those most in need. The first column on that slide describes the current segmented waitlist — basically the four categories. I should say that before we segment the waitlist in this way obviously people have to be eligible. That requires income and asset assessment and residency assessment, and we do not allow people onto our waiting list if they have past debts with the Office of Housing.

Mrs SHARDEY — Paid or unpaid?

Ms CRAWFORD — Unpaid. If they are in arrangements et cetera, that is fine, but basically you are not eligible for housing if you owe us money. After that we place people in order of these segments, with highest priority going to people in the recurring homelessness segment, followed by those people who require supported housing or modifications, followed by those people with special housing needs or who are living in insecure or unsafe housing, and then the general wait turn.

You have probably heard throughout your inquiry that this system is currently under review — not the notion of segmentation, but just the complexity of the existing segments. On the right of that slide are the proposed arrangements that we have put out for consultation to try to make it a little bit easier for people to understand our waitlist system and avoid confusion over things like homelessness. Under the current arrangements a person who is homeless or at risk of homelessness could be found in either segments 1, 2 or 3. Our proposal will hopefully simplify those arrangements, and to date the feedback has been generally quite positive.

Slide 9 is looking at what the key issues are that impact the waiting list. The waiting list really has remained fairly stable over long periods, but we have seen a bit of an increase over recent times. I think the drivers for that are probably relatively well known. Clearly housing affordability and the availability of private rental has a major impact on people applying for public housing. As you can see from the notes on that slide, affordable private rentals have fallen to just 20 per cent of all rentals over the last five years; it was previously 40 per cent.

The next slide identifies one of the other causes of people staying on our waitlist and it really goes to the issue of supply. Commonwealth funding under the former Commonwealth government did decrease in real terms — not just for Victoria but for all States — over that decade. I am not sure how accurate a science it is, but we estimate that Victoria probably lost in the order of 5800 units of housing that would otherwise have been built during that period.

There are other issues that impact the waiting list. It is no surprise that the age of our stock has an impact, meaning that we have to do more and more upgrade work. Obviously the demographics of society are changing — we have many more smaller households now. And when people do secure public or social housing they just do not move out, so our turnover and ability to make new allocations in any year is really declining. That is really what that is saying.

I guess the question is what are we doing about that? The first obvious area to tackle is the question of supply. We are very pleased that in the 2007–08 financial year the Victorian state government committed \$500 million over four years to public and social housing. That funding was designed to tackle a number of the challenges we are facing; \$300 million of that \$500 million was allocated to the not-for-profit housing associations in order to

leverage that funding and create a greater supply. Those funds are building some 1550 units of housing and include some great projects like the Norlane and Ashwood-Chadstone redevelopments.

Also, one of the pictures we have there is what we call the iconic Merchant project, which is at Docklands. That is quite significant, because it is the first Docklands development that actually incorporates affordable housing. Of the 133 apartments in that building, 57 are owned and managed by Housing Choices Australia. I think Michael Lennon spoke to you yesterday. That building was completed in December last year.

The additional \$200 million was directed to public housing, and it was really designed to help us reprofile our stock. It will achieve an additional 800 new properties in areas where people most need them and build the type of housing that would better suit the people on our waiting list today. An example of that is also pictured, at what we call Cheddar McMahon in Reservoir.

On the next slide is a great project that is nearly complete in Roberts Street in Northcote. I personally visited that development about two weeks ago. Although I was not here to see what it replaced, I understand that this development replaces a very old, run-down, walk-up estate for older people. This new development gives us a small increase in the number of units but also, very significantly, we are building these units with one and a half beds so that the aged tenants can have perhaps either a carer or a grandchild or family member stay over. The development also includes some excellent community facilities and environmental features; it is a great location and the neighbours in that area are really very happy with this development.

Continuing on in terms of supply, the significant commitment of State government funding has been supplemented through two national partnerships under the new Commonwealth-State funding agreements: the social housing national partnership, which will see over 500 new units built, and, very significantly of course, the nation building and jobs plan national partnership, which sees a massive \$1.3 billion come to Victoria over this and the next two years, which will build around 4500 new homes for Victorians and deliver improvements to benefit another 5600 units. These two partnerships are on top of the base National Affordable Housing Agreement, which provides \$1.4 billion to Victoria over five years. That is to support both new housing and homelessness services.

I think these investments will start to make an impact on our stock growth projections which we show in the next slide. In slide 15 the bar graph shows those growth projections from our base stock. The two partnership agreements will actually add over 5100 new dwellings to social housing in Victoria through to 2012. Over the next few years the stimulus acquisitions from the social housing national partnership and Nation Building will increase the stock of social housing to 83 600 units of housing.

I will say a bit more about boosting supply. The funding under the National Partnerships is also supplemented by two niche Commonwealth funding programs. The first one is called A Place to Call Home, which allocated \$29.5 million in capital funds to Victoria. We are spending that money on 68 new transitional housing properties across the state. Fifty of the units in the new supported accommodation development in Elizabeth Street will also be funded from that source. The significance of that funding program is that it is designed to accommodate homeless people and not have them have to move on. So once they get into the housing, they actually stay, and the support is provided to them in that dwelling, as opposed to having to move to some other form of tenure.

The second niche program is a very significant one. It is the national rental affordability scheme. It is a little bit complicated. The scheme sees \$6000 from the Commonwealth and \$2000 from the State per dwelling over a 10-year period. It is designed to encourage private sector investment in affordable rental housing. Nationally at the moment in the first couple of rounds there were 10 500 allocations made, and Victoria was successful in receiving 3000 of those incentives. I think this scheme is potentially a very powerful opportunity to get mixed developments where we have a mixture of, say, public housing tenants and social housing tenants with high needs, mixed with low-income workers, key workers, low-income families, so a good opportunity for mix.

Mrs SHARDEY — Can you just explain who the \$8000 goes to?

Ms CRAWFORD — The \$8000 actually goes to the owner of the development and, in Victoria's case at least — I cannot remember the percentage, but a large percentage of that will be registered housing associations.

Mrs SHARDEY — Spread over a 10-year period?

Ms CRAWFORD — Spread over a 10-year period, correct. The picture is a proposal that is going to be operated by Mission Australia at Casey Gardens in Melbourne's south-east.

In addition to that direct supply, we are also working — I think fairly effectively — with the private sector to increase supply and better utilise some of the sites currently owned and operated as public housing.

The redevelopment of the Kensington high-rise estate is a great example of creating more mixed and sustainable communities, and that is what is pictured there, and you can see the numbers there. We are transforming a very old housing estate with a mixture of both public housing units and private properties. This development is nearly complete now in Kensington, and I think what is particularly significant about this development is that a not-for-profit organisation, UCL, is actually managing the tenancies there for both the private renters and also public tenants, so that is quite an interesting innovation. Kensington, of course, has great access to transport, schools, work et cetera.

Building on that model, more recently we have issued a tender and approved a tender for the redevelopment of the Carlton estate. This partnership will now be a joint venture between Australand, St Heliers and Australian Unity, and will see 246 public units and 500 private apartments — a little bit contrary to Ken Davidson's article in the *Age* on the 15th which got those numbers a bit wrong.

There are already a high number of pre-sales for the private parts of this development. It is a really exciting development. I know there has been some criticism of the time it has taken to get to this point, but it is a very large redevelopment, very complex financial deal, but it will produce a really vibrant and mixed community.

The other key component of it is a health and welfare centre, which will be a great boost to both our tenants and the people of Carlton more generally; also, very excitingly, we have been doing a bit of work around the Carlton area with employers in the area, and we have generated quite a bit of interest around employing the public housing tenants, both in the aged care facility, in the build itself, but also hopefully with the major employers around the Carlton area.

In particular the hospitals in that area have shown an interest, and under our public tenant employment scheme, we are training about 20 of our tenants at the moment to an accredited level in aged care with the hope that they can then be employed in that aged care facility. We are very conscious, of course, of our responsibility for environmental sustainability. And there are some figures there in relation to the work we are doing on that front. Since 2001 the Office of Housing has constructed all new dwellings to a minimum of 5-star energy rating. Currently more than 3600, 5-star dwellings have been constructed. We are now constructing to a 6-star level in advance of building regulations anticipated to come into force this year.

We have also, since 2003, upgraded more than 16 000 properties, incorporating energy and water-saving elements, and more than 10 000 public residents have access to solar hot water. I think in this way we are really trying to take a bit of a lead in terms of environmental sustainability, and the K2 development at Windsor has won numerous awards in relation to that, but I think perhaps even more significantly ultimately developing in this way will benefit our tenants through reduced utility costs and obviously their great pride in the facilities that they are provided with.

We recognise, though, that the increased targeting and design of older public housing stock calls for some serious action. It is very much not just about supply and bricks and mortar. It is very much more about supporting the people who live in our houses to lead productive lives and, as you would nearly all know, neighbourhood renewal is very much a flagship initiative to reduce disadvantage and social exclusion in a number of Victorian communities.

The outcomes of this program have resulted in less unemployment, more education, better school participation and a reduction in crime rates in the areas where neighbourhood renewal has been operating.

I hold a very strong view that the connection between the upgrading work that we can do in these areas in relation to public housing stock, joined with community participation and other support programs, is a really strong partnership to improve basically the outcomes for the people who live in our estates.

Slide 22 talks very much about supporting people. There are a number of programs that our office supports to try to help tenants to sustain their tenancies. The social housing advocacy and support program is one of those

that we fund that really works directly with tenants to help them perhaps negotiate neighbourhood disputes, maybe get some financial advice, support them through appeals or accessing other types of support.

I have already talked about the public tenant employment program, which we are very proud of. We certainly are trying very much to focus our development in accordance with the planning requirements or the planning aspirations around Melbourne @ 5 million, so very much around transport, schools, work opportunities.

In terms of accessibility, our requirements in terms of all our build exceeds the current building requirements, and all new buildings we build must meet standards, and old ones are upgraded where tenants have a specific requirement for that. We have been doing some interesting work on our property side around building and designing safer communities, better lighting, better transport, working with tenants on what other initiatives we can do to make them feel safer.

Finally, slide 23 lists a range of responses that we make for specific population groups, starting off with older people in our estates. Aged public and community housing tenants have access to quite a wide range of Department of Health-funded home and community care services, and in addition the Department of Health also funds public housing specifics, but support programs assisting some 800 aged tenants each year.

More recently, the housing and community building division within DHS has introduced a keeping in touch program, where we have made contact with people over the age of 75, and Richard will correct me, but I think there are something like 7000 residents in that category.

Mr DEYELL — Yes.

Ms CRAWFORD — We asked them whether they would like us — and these are people who do not have family living with them — to keep regular contact with them, just to check on their wellbeing. That program has kicked off and is I think a really good initiative. It is also linked to the work that we do around heat in the summer months in particular. As part of our whole-of-government integrated family violence approach we are developing more housing choices for women and children, including the option of women and children remaining in the family home with extra support to make sure that it is safe for them to do so. Under the youth homelessness action plan we are implementing a range of programs focused on connecting young people with their family or reconnecting young people with their family, education, employment, training et cetera. We have established a LanguageLink service that enables tenants to connect with their local housing office through an interpreter service. We have recently transferred responsibility for tenancy management of some former public housing units to Aboriginal Housing Victoria so the specific needs of the indigenous community can be met by an indigenous landlord.

Disability and mental health clients in housing difficulty are very much targeted for public housing under our current segmented waiting list system and through our links throughout DHS. Our efforts do extend beyond public housing, and you would be familiar with the recent initiatives around the rooming house task force. That is probably where I should stop and leave plenty of time for any questions you may have. Thank you.

The CHAIR — Thank you very much for that detailed presentation and the slides and putting the broader picture in front of the committee. I will start with a question. One of the previous witnesses said in brief that there is some unfairness in the allocation of dwellings. What he meant was really that a person, the first person allocated down the list, might get a not-so-good dwelling and the second person might get a brand new dwelling. But once a person has been allocated a house he is stuck with it; it is very difficult for him to move out of that and get a second house. He talked about unfairness, as in depending on where you are on the list you might get a good one or the worst of the lot. He recommended that there should be a flexibility to move people around, like some sort of system where before you allocate a house to the next one down the list, a person who is in a not-so-good dwelling can be moved on to a better one or a new one and that house can be allocated to the new person on the list coming in. What are your views about it? What do you think?

Mrs SHARDEY — Sorry, that was in reference to transfers?

The CHAIR — Yes.

Ms CRAWFORD — I am going to defer to Richard on the transfer issue. I guess, more generally speaking, obviously we have a lot of people on our waitlist. We have a segmented list that tries to provide housing to

those most in need first. The system relies on people indicating preferences for areas where they would want to live, and then in accordance with their priority on the waitlist and the opportunities that come up in the areas where they have expressed a preference our allocation process really tries to be fair by going from the top down. As I said, I will defer to Richard on the transfer matter, but perhaps I should also take this opportunity to say that I think the Office of Housing needs to look a little bit more, though, at the issue of choice and preference. It is very hard when demand is greater than supply, but I think there are ways that we can make the system a little bit more transparent to people and give them a little bit more say rather than just simply saying, 'Take this property or that's it; you don't get another chance'. That is some work that we will be looking at over this next period, probably in connection also with work that we are doing in accordance with national reforms around trying to get more of an integrated system with the not-for-profit sector. I think there are improvements we can make, but it always comes down to trying to have a very fair system and to allocate housing to those people most in need. But in terms of the transfer system I will defer to Richard.

Mr DEYELL — We do have a system where someone in the situation you mentioned can let us know that they want to transfer, in which case we do run a transfer list and then they get priority where other vacancies come up. We go through a similar process: where do they want to be; what house composition and what sized property do they need? Yes, that person could have said to us that they wanted to move, and they would have had a chance for a new property that would have come up, but we do not go as far as approaching everybody every time there is a vacancy.

The CHAIR — Thank you.

Mrs POWELL — Everybody, each one of them, who has been to the committee and given evidence has talked about the chronic shortage of public housing and affordable housing. It has been a theme that has come through right through. I look at your page 9, which talks about affordable housing decreasing substantially, and I note that you have a number of funds coming through to build housing stock. My question is: the waiting list is not an indication of need, because obviously there are people who are not on the waiting list because they do not meet the criteria — they are on low incomes and cannot get on the waiting list — so is the funding that you have enough? We are hearing that it is not just hundreds of houses that need to be built, it is tens of thousands of homes that need to be built. We are looking at a really chronic situation right across the board, and we want to make sure that the Office of Housing is aware of the need — not just because of the waiting list, because the waiting list is not a criterion for the need. There is an absolute need, we are being told in all of the evidence that comes before the committee. We want to know if the Office of Housing is aware of the extent of the need. Have you done any research to find out the extent of the need?

Ms CRAWFORD — Specifically on that last matter there is a National Housing Supply Council chaired by my predecessor Owen Donald, so that focus is being picked up nationally and the research into that is being done under a council chaired by Owen. I think there is an awful lot of focus on the whole issue of supply at the moment. Clearly public and social housing at less than 4 per cent of the stock can only be one small part of that picture. As you mentioned that, we are doing a lot to both sustain and grow that sector through things such as the supply initiatives that I talked about, the state government \$500 million investment, replacing old public housing through redevelopments, working in partnership with housing associations to really leverage the government's dollar as far as possible, and of course the Commonwealth government's major investment. So we are trying and doing quite well I think in relation to supply of the social housing component, but it is clearly just one small part of the total picture.

The NRAS initiative that I mentioned starts to move into more of the affordable housing space and also provides good pathways for our public tenants who may want to exit public and social housing into more affordable rental housing. More recently COAG has commissioned heads of treasuries, called HoTs, to investigate and report back on the whole interrelationship between the taxation system, planning policy, infrastructure development and social housing. That work is under way, and again the housing supply council is providing key input into that process in addition to obviously housing ministers from all states and territories. I guess my point is really that there is not one response; we need to be tackling the issue on all fronts, and in the area that falls to my responsibility, public and social housing, I think over recent times we have been making a pretty good fist of it.

Mrs SHARDEY — Thank you very much for your presentation. It is a pleasure to see something so well done. I have a few questions around the issue of reporting. I was the shadow minister for housing many years

ago, so my information is not up to date as perhaps it was then. There are three main reports that are relied upon in terms of the Office of Housing — or two main reports and something that has been promised. What has been promised? There was an announcement in 2006 that there would be a Victorian integrated housing strategy. That was promised again in 2009 and again this year in the statement of intentions. We have not seen that.

Secondly, the summary of housing assistance programs, as I recall, used to be published in January of each year and it reported on figures up to the end of June of the previous year. I understand that that is no longer the case, that it is taking up until May, which means that the information is nearly 12 months old. I guess I am asking for a review of the publication of the summary of housing so it can be more timely and the figures can therefore be more current in terms of performance.

Finally, I noted you put up a slide of the December 2009 waiting list figures. As I understand it that has not yet been made public. I just wondered if you could explain this situation. When I had the position there seemed to be a kind of agreement with the then minister, Candy Broad, that at the end of the first month after the annual report the public housing waiting list was made available. That is now pushing out to three months later. To see this here and know that it has not been public is quite interesting, but I am sure you have an explanation.

Ms CRAWFORD — Thank you. Maybe I will go in reverse order and deal with that last matter first, the matter of the waitlist. Clearly I have used the most recent waitlist data to the end of December. Because I wanted to use that, in fact that information has been released today, just this morning. It is being released today. I certainly sought approval to use those figures, and it will be made public. If it has not already, it will be today. We are trying just generally to do better in this regard. There are some complexities from time to time.

Mrs SHARDEY — I understand all that.

Ms CRAWFORD — I do not think we have got things to hide. We in fact are one of I think only two states that actually publish the waitlist in the level of detail on a regular basis. Other states in fact rely perhaps on their annual reports or information published by the Australian Institute of Health and Welfare

Mrs SHARDEY — I assure you it is a very long-held tradition.

Ms CRAWFORD — We are not trying to keep it a secret, but it does take a little bit to put it together. So that is the waitlist.

In relation to the Summary of Housing Assistance, that information I know is close to being released. Again, it is really quite an exercise in pulling together the data. Having said that, although our summary of housing assistance has not been released at this point, that information is generally available — not in the exact same form but very close — from the Australian Institute of Health and Welfare and through the Report on Government Services.

Mrs SHARDEY — Is theirs as current, though? As I recall, I used to look for, for instance, net stock — what stock had been sold and introduced — and that gave you a good net stock figure, which is obviously very helpful in understanding what is going on.

Ms CRAWFORD — It is very similar. I was just checking in my office today. There are some differences, so it is not quite the same. Clearly the Summary of Housing Assistance is really what its name suggests: it is really where you go to look at everything that happens in a particular financial year. We are very close to releasing it. I know it is not January, but it is only February, and that data will be released very shortly.

In relation to the integrated housing strategy, of course I am aware of this but that is a matter of government policy, which I really cannot comment on. It is a government policy document.

Mrs SHARDEY — Who is doing the research for that?

Ms CRAWFORD — There has been work done by numerous parts of government.

Mrs SHARDEY — Is your office doing it?

Ms CRAWFORD — We have had some input, but we are not managing that process, no.

The CHAIR — Before I call the next question, I would request members of the gallery not to make any comments or heckle the witnesses.

Mr NOONAN — Thanks for your presentation. You have seen that our terms of reference are about public housing, but virtually every witness who has come before us has talked about social housing, and you pretty much addressed that up-front. There are some linkages which have been put to us about social housing and public housing, and one of those is that in the massive build that is going on, which is being managed in part by housing associations, up to 50 per cent of those properties will in fact be filled by people on the public housing waiting list. You might confirm that as the first part of the question.

The second issue which draws the link between social and public housing is really about the agreement nationally to create a common waiting list and again draw the two together. I just wonder whether we will be talking about these issues so separately in the future.

I suppose the third issue is that there has been a massive evolution in housing associations. All of them that have come before us have been very professional and have had an amazing appetite for the task in front of them. Can you explain the evolution of housing associations, because they are a very big investor in this space? What checks and balances are built into ensuring that the public funds that will be assisting the capital builds of these are actually in place?

Ms CRAWFORD — In terms of the Nation Building moneys, as you said, a policy decision was taken to work in partnership with registered housing associations in meeting that fairly massive requirement to deliver some 4500 units of housing in quite a short period of time. I think as a policy position that has really positioned Victoria very strongly relative to other states. From a purely policy perspective I think that is good policy. It means we have a partner to help us with this task and we also have the potential to have a far more mixed outcome from the funds spent. Other states tended to go more to build on their own land and build public housing with a view, longer term, potentially to maybe transfer stock et cetera. But what we did here was try to really build the capacity of the not-for-profit sector through an actual partnership on the Nation Building spend. I think that is great. In terms of the allocation then to those properties again through housing associations, we will get a mixed tenant outcome.

It is correct that as a general policy position our position is that we would like housing associations to take at least 50 per cent of people off our public housing waitlist for new build. There is a bit of tension sometimes in that, in particular with Nation Building, because we are also requiring 25 per cent leverage. To achieve that on a project-by-project basis the tenant mix and the rental income that housing associations will achieve have to be taken into account. It is a bit of a balancing exercise, but generally speaking housing associations are a fantastic partner in taking people who are either on the waitlist or eligible to be on our waitlist and providing housing for them.

More generally in relation to the allocation of Nation Building properties there are actually quite a complex set of targets that have been set by the Commonwealth government in relation to that funding in terms of who should get housed, from homelessness through to indigenous people. There is some rooming house funding, there is aged funding, so there is quite a series of target groups that are to be housed in that new stock.

From my executive's perspective our effort over this next 12 months as these properties come on-stream will be very much to try to manage that allocation process to get the absolute best outcome we can and to reflect basically the waitlist that we have here in Victoria and the requirements of the people with the highest needs. In a governance sense the executive of my office will actually be managing that process very closely — quite directly. I think that answers the first question.

In terms of the common waitlist, that is a requirement under the Commonwealth reforms that were associated with the COAG agreement on NAHA — the National Affordable Housing Agreement. It sort of sounds easy to have a common waitlist, but I do not think it is going to be. Really it is not so much potentially one list, it is more about having an agreement about common assessment processes — how to prioritise the best sort of policy outcomes that we hope to achieve to build diverse communities et cetera. That work we are just kicking off now, and it is an exciting opportunity.

There are other models. For instance, Queensland achieved a common waitlist about two years ago. That is quite a closed-down system. I am not critical of it, but it is very much like replicating the public housing waitlist and saying that everyone who delivers social housing must apply the same conditions. Although it is early days, I would envisage something with a little bit more flexibility where we have some common understanding about what the policy objectives are that we are trying to achieve and how best to do that. As I mentioned before, I would also quite like to explore the opportunities of increasing transparency around that and potentially piloting initiatives like choice-based letting, which I have seen operate overseas.

So that is the answer to the second question. I have written down 'Safe' for your third question.

Mr DEYELL — Checks and balances.

Mr NOONAN — Yes, checks and balances for housing associations, particularly given that you are in the middle of an unprecedented building program.

Ms CRAWFORD — Correct; exactly. Victoria kicked off a regulatory framework for the not-for-profit sector around 2005, taking the lead again from the United Kingdom, which has a far more mature social housing partnership. So we actually have legislation that governs both the registration and the management of registered housing associations. There is an independent registrar who reports to the minister, not to me, although he does also report to me in a different capacity, which is something we are quite conscious of.

The registered agencies, as you know, are not for profit; they own, manage and develop affordable rental housing. The regulator has got some quite strong powers in relation to housing associations. The regulator does have — much to the angst of the housing association sector — step-in powers. If a particular association runs into financial difficulties or some other issues, the registrar does have the power to do a number of things: they can direct that association to enter into a partnership with perhaps another registered agency, the registrar can make appointments to the governing body, they can appoint an administrator and they can effectively wind up the organisation and transfer the assets. So there are very strong powers, obviously not ones that you would exercise without having appropriate cause to do so, and to date we have not had that.

We have quite a good regulatory system in place here in Victoria to monitor associations. As you say, it is particularly important at the moment because we are growing them so quickly. That is a great thing, but it is something that we will need to monitor very carefully because they are now, probably for the first time, taking on borrowings through financial institutions. In the early days housing associations were able to access other sources of funds — donated land, philanthropic contributions and the like — but with this growth spurt they are now seeking borrowings from financial institutions, so that will place a new burden on them and on their administration. I think we have got a good system in place, but we will need to be particularly alert to watch how that operates. But there are good safeguards.

Ms KAIROUZ — Hi, Margaret. We have consistently heard from witnesses, particularly those who were representing people with a mental illness and the homeless, that they found the current waitlist and applications — particularly the applications — extremely difficult and onerous. We heard that people with a mental illness do not particularly want to declare or give away a lot of information about their personal health. Are there any changes that are going to be implemented or are proposed to try and gain the confidence of people who have a mental illness or to make it easier for the applicants?

Ms CRAWFORD — Thank you for that. As a still relatively new director I also must admit that when I was confronted by the application forms and the segmented waiting list it did strike me that it was on the surface quite a complicated system — perhaps more to me than many of our applicants, who actually know the system extremely well and are quite expert in managing and navigating their way through that. But it is quite complicated and people do need quite a lot of help sometimes, particularly those in the very high-need categories that you are referring to. So that is in fact the intention of the revisions that we are consulting with the sector on at the moment.

Slide 8 looks — at a very high level — at making some changes to that segmented section. What is not really clear from that slide, though, is that the arrangements around how that will operate will also see a far more clear relationship between the applicant and their support provider, so that in administering the application process we will know a little bit more about that person's background and who their support provider may be —

whether it be another part of the Department of Human Services, part of the Department of Health or perhaps part of our homelessness sector. Part of the changes we propose are to much better link the level of support for people with the process for applying for housing. We hope that that will make the whole system a little bit more navigable-and simple to understand.

Mr SCHEFFER — I would also like to thank you for your presentation. Yesterday the committee heard from representatives from the Atherton Gardens Residents Association — the Collingwood public housing tenants group. We also heard from Urban Communities, who you alluded to earlier as operating the Kensington development. We heard from Michael Duffy and George Housakos.

They were in some ways quite contrasting presentations, because the Atherton Gardens residents — I have not read the transcript, so I am just going from memory — wanted a focus on employment and training and education on the estates. Their sense from the Atherton Gardens of Collingwood was that there were not very good programs for them and that they would like to see more there. However, of course, the story from Urban Communities was terrific in that they have a lot of investment in residents. The public tenants are actually working on the estate, and they talked at some length about the very sophisticated community-building strategies that they had managed to implement. My question is that I ask you to talk a bit about what you are doing more broadly about training programs and employing residents in public housing in managing and living better in their communities.

Ms CRAWFORD — Thank you. The Urban Communities example is something that I am really quite excited about. We have not formally evaluated that yet, and I think that will be a very interesting piece of work which will help us think about how we do things in the future but pretty much all the feedback is very positive about that development.

More generally, we really need to focus as much as possible on trying to assist our tenants to lead productive lives. That really usually boils down to issues such as training, employment and education.

One of the projects I most proud of — and I do not think we give enough exposure to it — is our public tenant employment program which is working across a number of estates to both train and engage people in employment. It was kicked off in 2005 or thereabouts and I have got some figures here that say that more than 1200 public housing tenants have received some nationally accredited training program. In fact 585 tenants are now engaged in non-subsidised employment. That is a really great thing for us. Not only does that obviously create much more satisfactory lives for those people, but it actually gives us a return because they pay more rent, and that makes it a win-win.

That is really exciting. It is more, as I mentioned before, in the Carlton redevelopment, the opportunity to engage with local employers, to talk to them about employing locally and work with our people and it is pretty exciting. I hope that we can do much more than that.

Mr DEYELL — I can talk about AGRA.

Ms CRAWFORD — I do not know what that is, I am sorry. Again, in our Neighbourhood Renewal areas there are a number of social enterprises. There are around 40 at the moment and we estimate that some 5500 jobs have been created in Neighbourhood Renewal areas as a result of working closely with the tenants of large estates.

Mr DEYELL — It is perhaps worth adding that AGRA, the group that you talked about, is involved in one of those Neighbourhood Renewal projects, so they have had their share of those 5500 jobs and 40 social enterprises. We know on that particular estate, the Brotherhood of St Laurence, which has a strong track record in helping disadvantaged people to get back into the workforce, are very active. There is another side, we think, to that story at Atherton Gardens which is benefiting as much as any other community from these initiatives.

Mr SCHEFFER — Thank you.

The CHAIR — One of the witnesses previously expressed a view, in relation to your proposed new segment 2 which is for people with disabilities, that housing for people with disabilities should be completely transferred to the community sector and Office of Housing should look after the others which are segments 1

and 3. This witness believes that by doing that people can develop their expertise in different sectors. What is your view on that proposal?

Ms CRAWFORD — There are a number of ways you could do this. Partnership with the not-for-profit sector is a really important thing for us here in Victoria. There is not necessarily one best delivery agent and more and more I would hope that we could work in partnership with some niche providers in perhaps the disability area or aged area et cetera.

My personal view is that, as I said, there is not one answer here. It is about looking at the system as a whole and trying to get the best outcomes for people. Certainly I thought you would argue that public housing should house all people with disabilities because people make that argument as well.

At the moment we attempt, through the segmented waiting list and ours, to focus on those people with highest need and to prioritise according to that. That accommodates not just people with disabilities but also people with mental health issues, right through to low-income people.

I think the system is a fair one, and we have done a lot of work with our colleagues in the Department of Human Services and now in the Department of Health on how to get the best outcome for these special groups, rather than just saying that we will do all of this and all of that. I think a mixed model is best.

Our skill is in the area of independent living, so a person with disabilities who needs full-time support probably is not appropriately housed in public housing and probably needs more than we can offer. But for a lot of people with disabilities who are able to live independently I cannot see why public housing is not as good an option for them as any other.

Mrs POWELL — I reiterate what Johan said about the need for training, for front-line staff particularly. That was an issue that came through time and again. I understand that the front-line staff are dealing with more complex issues?

Ms CRAWFORD — Correct.

Mrs POWELL — For people who are probably in segment 1, who were in institutions beforehand, taking up a lot of time with a lot of needs because of their complexity, so I reiterate that.

You would probably understand that members of Parliament get lots of complaints to our offices from either neighbours or the tenants themselves. It is a big job that you have to do. In the area of property management, it is a really big issue. Some of the issues that are coming forward and complaints from other groups that have been to see us are about the lack of inspections and also the lack of audit maintenance on any renovations or work that has been done — that has come through a few times as well — and that is really important in relation to property management.

We also heard from Kensington, and I notice you cite that as a really good example. Kensington said that things such as if rubbish or a mattress was left outside the front of one of their public tenant's houses, it would not be tolerated. They work with the tenant to make sure that they do not do that and there are some repercussions. As well as having public housing, tenants understand there is a right but there is also a responsibility.

Kensington's management seems to go really well but they are trying to keep to that size so that they can be more hands on. Is there a way you could pick up some of those management practices, because we are hearing from members of Parliament that it is more hands off, they do not have one person to go to and therefore the antisocial behaviour escalates or the problems do not get resolved?

Ms CRAWFORD — My starting point is that obviously public housing is a very large landlord with close to 70 000 dwelling that we are managing. As you know, quite a large proportion of that stock is fairly old so maintenance issues are always going to be to the forefront.

We have learnt some lessons from the past. There have been some negative audits et cetera of public housing in the past because of our maintenance practices and the like. We have taken those on board and really learnt from that. My view is that our systematic arrangements are actually quite sound. I will come back to the scale issue, but they are quite sound in that we have got a very responsive and efficient maintenance call centre. We now

use head contractors whom we can hold accountable. We have very clear KPIs for their performance, that we monitor regularly. We meet with tenants on a very regular basis and our contractors also attend those meetings to respond to issues around maintenance. As a large system, that is reasonably good.

Having said that, clearly there are still complaints about maintenance. In fact, I think 35 per cent of the complaints that come through to our complaint units relate to that, and there are also examples where we have not done a fantastic job. We are really trying to manage those matters as close to the tenant as possible, in the same way as in Kensington, again, trying to work with our front-line staff to activate really early intervention, be responsive, practice active listening. That is really important and in fact I think works reasonably. Of the complaints I have talked about, very few actually end up coming in centrally, because mostly they can be managed locally.

My bottom line here is that I think tenants are our absolute best source of information about what needs to happen. I will challenge Richard in particular and the rest of my organisation to do much more in relation to tenant engagement to try to make that as responsive as possible.

The UCL model, as I said, has not been evaluated yet, but clearly it is a pretty exciting innovation. It is also something I had a little bit of a look at when I had the opportunity to spend two weeks overseas last year. Models where there are large public housing arrangements but that are close to the tenant responsive arrangements, I think really work well. It is something we will continue to improve on.

Mrs POWELL — I think I will just follow on from that: if we do not get that right, you get that perception of public housing tenants, because people have bad experiences. From a person who did 10 years in a public housing estate, we did not normally have that stigma. But at the moment now if the problems and issues are not dealt with very quickly, it becomes a perception of, 'We do not want those people next to us' and that sort of thing which should not be happening. It should be dealt with at the early intervention.

Ms CRAWFORD — As early as possible. Exactly, and it is then a balance of trying to provide the tenant with support but also for them to meet their obligations. Under the Residential Tenancies Act, that is what I am required to do.

Mrs SHARDEY — My question is about housing stock. It has two elements. The first element is about the overall housing stock. I note that in 2007–08, it was at about 78 000. It has gone up a little bit, but you are hoping that it reaches 83 600, which is an increase of 5600 by 2012.

We were given a bar graph today by the Tenants Union of Victoria which showed the public housing dwellings as a percentage of total dwellings in the community. Victoria is the lowest in Australia. It has declined since 1996 to about — it looks like — 2.5 per cent. It might well be more than that now; I would hope so. Where is this increase of 5600 by 2012 going to put us? It is obviously still going to be low, but as a percentage of total dwellings — that is my first tranche, or element, of the stock situation.

The second relates to community housing and the stimulus package. I note that the housing ministers agreed that up to 75 per cent of housing stock constructed under stage 2 of the \$5.238 billion Nation Building and Jobs Plan social housing initiative be transferred to community housing by 2014. The allocation for Victoria, as I understand it, is: there were 2400 dwellings going to housing associations and 2100 would be going to the Office of Housing.

What I am asking, as I think you can see, is that more than 50 per cent of that nation building money, well the number of units, is going to housing associations. But of the remainder 2100 units that are being allocated to the Office of Housing, are you looking at retaining those within the Office of Housing or transferring some of those as well to housing associations, because obviously getting to that 75 per cent is going to be a hard ask for Victoria, because I think in your presentation you said that community housing management was about 12 000 units or something out of the 78 000.

Ms CRAWFORD — Correct.

Mrs POWELL — 12 050.

Mrs SHARDEY — Of the 78 000. So there are those two elements that relate to housing stock; one on total housing stock and the percentage of total dwellings in Victoria are now going into community housing. I am sorry about that.

Ms CRAWFORD — No, that is all right. The first reference you made in relation to the Commonwealth requirements about achieving 75 per cent is not a specific requirement.

Mrs SHARDEY — No, it is an agreement.

Ms CRAWFORD — No, I do not mean to contradict, but it is something the Commonwealth will negotiate bilaterally. I am not sure what you are reading it from.

Mrs SHARDEY — It is the document; I think it is the agreement. Sorry, it is the top point.

Ms CRAWFORD — I really do not mean to contradict, but I have sat in so many COAG meetings with the Commonwealth and States, I am 100 per cent certain there is no formal requirement around that.

Mrs SHARDEY — No, it did not look like that.

Ms CRAWFORD — It certainly was something like an aspiration that the Commonwealth put. Probably Victoria is far better placed than any other jurisdiction to even come close, because of the capacity we built here over a number of years. However, the Commonwealth has agreed to negotiate bilaterally with each state in relation to the share of Nation Building that will ultimately go to housing associations. The whole question of stock transfer is something that we have looked at in the past, and we have transferred some public housing stock to the not-for-profit sector. We did that at the end of June 2008, I think.

Mrs SHARDEY — Is that 1600?

Ms CRAWFORD — Something like that, yes. So we have had a go. We have yet to formally evaluate that process and to go back to government with a proposition in relation to any further consideration of stock transfer. It is certainly not off the agenda, but it is something we are still having a look at. Our efforts in terms of Nation Building, by actually building 50 per cent directly with housing associations, will be an enormous boost to their stock and management. It will stretch their capacity both in terms of development but also in terms of managing that stock.

I think we are not closed to any of this. It is really more for a conversation as we move forward. That is that part of it.

Mrs SHARDEY — That was the first part about overall stock and the growth of 5600 by 2014 and the percentage of that of total dwellings.

Ms CRAWFORD — I am sorry, I am terrible on percentages and mathematics. I cannot do that in my head, and I do not have that information with me, so I would prefer to take that on notice and give you the correct answer.

Mrs SHARDEY — I think that the rationale for a question like that is that the population is growing very quickly. While there is some increase in stock, sort of as a proportion of the total dwellings in the state, it is likely to go down even further unless it goes at the increasing rate.

Ms CRAWFORD — Just to correct one thing — and I know you acknowledge that it may not have been 100 per cent accurate — but the percentage of stock in Victoria of public housing is, I think, 3.2 per cent; the national average is a lot higher than that. The average nationally is more around 4 per cent, but it varies state to state. If we add in the stock managed by social housing and community organisations, we push that up to, I think, about 3.8 per cent, but it is still below other states. It is really a result of history. My staff were telling me it really goes back to various former governments and policy decisions taken around the amount of the Commonwealth-State housing assistance that we need for social housing versus actually affordable housing. Anne mentioned to me earlier also tenant sales as well, which have been a part of Victoria's response.

Mrs SHARDEY — What do you mean?

Ms CRAWFORD — The sale of public housing to tenants. We are going back many, many years here. It is a historical feature.

Mrs SHARDEY — But unfortunate.

Ms CRAWFORD — Yes, and that leaves us. I think on the good side, the positive side, is that Victoria is probably the only state over the last 10 years that has consistently grown its stock, which is great, whereas other states are tending to go a bit backwards.

Mrs SHARDEY — Yes. From 1996 to 2006 Victoria was going backwards. Other states were, but other states started off from a much higher base.

Mr NOONAN — Can I ask about the redevelopments? You put a couple in your handout to us. With a bit of luck we will go to Kensington during the course of this inquiry. We were certainly reasonably impressed by what we heard from them yesterday. Just specifically with the redevelopment, in the case of the Carlton redevelopment you have set out that the redevelopment will replace 192 walk-up flats with 246 public and social housing apartments. Can you provide the committee with what the situation might be in Kensington when you are actually replacing existing dwellings — where it will end up through that process, because that goes to the stock issue; what the time lines for projects such as Kensington and Carlton might be; and whether there are other major redevelopment projects specifically in metro Melbourne which go to the two issues that I referred to? Whilst I am a western suburbs MP, I am aware that there is, I think, a fairly significant redevelopment in Chadstone as well.

Ms KAIROUZ — It was announced a couple of weeks ago, I think.

Ms CRAWFORD — The Kensington redevelopment commenced back in February 2003 in partnership with Becton. That actually was well before my time, but it involves the demolition of a high-rise tower and 15 walk-up blocks — so something like 378 units of housing — and the construction of 195 new public housing units together with 512 private dwellings. It is expected to be completed this year.

Mr NOONAN — Okay.

Ms CRAWFORD — We are in some final negotiations at the moment in relation to Kensington. Carlton is just kicking off this year and will run through to about — we are estimating at this stage — August 2017. It is a very large development. As you said, it will replace 192 older-style walk-up flats with 246 new social housing apartments very much for singles and families, 550 privately owned apartments and of course the other community facilities that I mentioned before. It is a very exciting development. In addition to that there is quite a number of redevelopments going on at the moment. Significantly, Richard is chairing our project control group, managing what we call the Mews redevelopment, which is out in Westmeadows. That redevelopment looks at the demolition of some 94 dwellings and the construction of 210 social housing units, again for both singles and families. That will also include some aged-care independent living units and another 230 new private dwellings. That is a pretty exciting project which we would hope to have well on its way shortly and finished around 2014.

Recording malfunction.

Mr SCHEFFER — My question comes back to housing associations. I think it overlaps with some of what Helen asked you, but I was not exactly clear. I guess my question is: the housing association that is embedded in the model is able, because they have been used to leverage off their asset, to expand stock on their own over a period of time. Have you done work or is data available on how that protection of increased stock would travel looking forward?

Ms CRAWFORD — I think there has been some modelling done. There have probably been a few goes at that. I am not sure that we have got a definitive piece of work, but it is a conversation that we will be having with the sector this year. You have probably heard through your inquiry some agitation around the leverage model.

Mr SCHEFFER — I was going to come to that next, if that is all right. Just on the projections — I do not know; this is a genuine question — it was based on the UK model. Do we know anything about what the projections are for increased stock in the UK? Have they used that model before us?

Ms CRAWFORD — It is quite a different world. We talked a bit about the percentage of social housing here in Victoria being under 4 per cent. In the UK it is more like 15 or 20 per cent, and housing associations provide a very broad range of services from low-income supported housing through shared equity schemes. They are often in the business of, like for private rental arrangements, being the body corporate. There are very broad-based companies in the UK, so it is a little bit different. Certainly I think it is described in the UK as probably the best public-private partnership that has really happened, so it has extended the supply of social housing.

However, I was there just at the time of the global financial crisis, and certainly in our flat market there was a slowing of the growth projection simply because they could not cross-subsidise through sales or reinvestment. They, like every other person and company, were looking at their financing arrangements et cetera, so it did start to taper. I am not sure where that is at the moment, but over a history of many, many years certainly social housing in the UK has grown the stock quite extensively. But it is a different model, and they have a different rent model too, so they have much more guaranteed rental income. Whereas in Australia our rental income is based on a percentage of the tenant's income, in the UK it is really a property-based rental.

Mr SCHEFFER — What does a property-based rental mean?

Ms CRAWFORD — The rent that is charged by housing associations is based on the stock and the normal rental market price for that stock, and then the assistance to the tenant is separate and is government income support.

Mrs SHARDEY — Like rent assistance?

Ms CRAWFORD — Yes, correct.

Mr SCHEFFER — Coming to the second part of what we both were foreshadowing — —

Ms CRAWFORD — Just before you do that, Richard just mentioned to me that of course one of the big drivers in the UK was the huge stock transfer from local councils in the Thatcher era.

Mr SCHEFFER — Just on the 25 per cent, generally I must say witnesses have been very positive about the housing association's initiative, but the area that few of them have mentioned is the level of the 25 per cent equity they are required to have. One witness mentioned to us that he thought that initially the 25 per cent was premised to some extent on the philanthropic contribution, but increasingly it has been reliant on bank loans, and there was some sense that maybe this amount needed to either disappear altogether or be lowered somewhat. Have you done any work on that or talked to the sector, and is there any possibility of accommodating some of those pressures that they were experiencing?

Ms CRAWFORD — That whole question of leverage is a very topical question at the moment, and again I think that reflects the fact that we have grown so quickly through the Nation Building investments. In fact the government requiring leverage has been a policy position right back to the early 2000s in schemes that preceded the current housing association arrangements, and I think it served the state particularly well because it allowed us to grow stock for a reduced price to government. I think it has been a really good model, and it certainly captured some of the donations that were available to be captured that public housing could not access. I think it has actually performed quite well.

We, though, are very conscious as we move into this rapid growth phase that we need to have a look at that. Also, as we have these conversations about an integrated waiting list and trying to house the people most in need, we need to open up that debate. We have had a look at models of what is possible and what is not, but they tend to be a bit theoretical.

It really is almost a case-by-case basis depending on each association — what level of stock they have, what their particular priority target group might be et cetera — so there is quite a bit of variability. This year we have committed, I think quite publicly, if in no other way other than through the rooming house task force, to do a

review of the leverage requirements, and we have just been talking through how we will approach that. I think rather than doing more studies a much better approach will be to engage in a dialogue with the sector about what is possible and what is not. I just have not quite had time this year to kick that off, but I am certainly committed to having a fairly open conversation with the sector about how you get the right mix of financial viability for them, the right targeting and make the absolute most of the scarce dollars that we have to put into social housing. It is trying to balance mixed communities. All of those considerations need to go into that mix.

Mr SCHEFFER — Thank you.

Ms KAIROUZ — We have seen record population growth and shrinking household size in the past decade, and since 2005 there has also been an increase in social housing of probably about 2000, but approximately 200 per year, and now you have just spoken about projects that Wade alluded to. How do you think that would affect the waiting lists?

Ms CRAWFORD — The waiting list is a bit of a funny beast at times in that some people do not perhaps even apply because they know that maybe there is nothing there for them. Sometimes if a new supply is coming on line, more people will say, ‘Okay, I will put my name down because now there is more hope of me achieving that’, so I think it is one of those things that is very difficult to estimate how what you do here is going to impact that precise science. Clearly, though, at the moment, as I said earlier, our waiting lists have increased over recent times. They have tended to fluctuate over the last period really between about the 35 000 and 40 000 mark; that has tended to be the case, I think. I think there was a high, and I cannot remember the year, but a high of 56 000 back in 1996 or something. I have got that. I can correct that if it is not exactly right.

Ms KAIROUZ — Now it is about 38.

Ms CRAWFORD — Now it is 38, so it was quite high. For the last 10 years it has tended to sit within that 35 to 40 level, and clearly there is an impact, though, when you have affordability issues, especially rental affordability, and vacancy rates will tend to kick that up. But I do not think it is an exact science between, ‘If you add this much stock, you will reduce your waitlist by that much’, because I think there are too many other variables in there.

Ms KAIROUZ — There is a perception out there that if you do increase your stock, people seem to believe then it will reduce your waiting list.

Ms CRAWFORD — You would hope that it would to some extent, and that is certainly our aim, but there are other variables, and people’s circumstances vary and their motivations et cetera are a little bit too hard to predict sometimes, I think.

Ms KAIROUZ — We have heard from witnesses about Office of Housing staff, and I think they are expecting the Office of Housing staff to be their counsellors as well — for example, those who have a mental illness — to understand their situation or to understand about their illness, and therefore quickly prioritise it. I think people do not understand that the Office of Housing is a landlord and, just like every other landlord, wants to make sure that they receive their rent and make sure that they have good tenants. How are we able to communicate this better with applicants, with clients, whatever you wish to call them?

Ms CRAWFORD — I like to think that we are a benevolent landlord and have great empathy with our clients, but obviously we also are governed by the Residential Tenancies Act and we need to take those responsibilities and obligations seriously and manage this stock for the benefit of most people.

Having said that, in addition we provide quite a lot of assistance to people, if not directly through our own staff, through agencies like the SHASP organisation I referred to earlier. Within the department we also have a program specifically around high-risk tenancies where we work across the department to support some of the most vulnerable tenants to not only access public and social housing but also to sustain that housing.

Our other big initiative at the moment is to look at supported housing models. The Elizabeth Street complex, which will be completed around the middle of this year, is a fantastic example of support packages provided through the mental health division of the health department with philanthropic support from the building industry through Grocon, through the work of the housing association, Yarra housing, and through the support that HomeGround provides to homeless people. That combination means that people with chronic homelessness

will have permanent homes to live in and the support they need to sustain that tenancy; again, with a mixed community, with low-income workers as well mixed in. It is a really interesting initiative.

Richard has just said that a lot of our effort internally is to try to take some of the more mundane work away from our front-line staff. We spend a lot of time doing income-confirmation activities and the like. The six-monthly rent verification change that was made about 18 months back has taken some of the administrative load off our front-line staff, which hopefully will free them up to be a little bit more focused on outcomes for clients. There is a range of things we can do better to support people and we are working in partnership across government but also with the not-for-profit sector to really support tenants.

Mrs POWELL — Before asking my question I would like to clarify something. I have just looked through my notes and I think I might have said we needed hundreds of thousands more stock. What I meant was 30 000 more stock. We got evidence to say that there were tens of thousands and in my tiredness I may have said hundreds of thousands, but I would like to clarify that; it was tens of thousands.

My question is about Aboriginal housing. A witness yesterday talked to us about the houses that are managed by Aboriginal Housing Victoria. They are specifically for Aboriginals, but some of their clients are opting to use the mainstream public housing waiting list. Is there a reason for that? Have you been able to work out why the Aboriginal people would prefer to use the mainstream housing list rather than what I would have thought would perhaps be more culturally acceptable to them? Are there some problems with the Aboriginal housing list, or is it just that they are allowed to have that choice? Have you done any research on that?

Ms CRAWFORD — There is quite a recent initiative on our part to offer indigenous tenants to transfer the management of that stock to Aboriginal Housing Victoria. Richard's area has been managing that process and supporting Aboriginal Housing Victoria in that transition. I think you said to me, Richard, that about 90 per cent or more have chosen to move across to Aboriginal Housing Victoria. It is a recent thing. It took a little bit of time to build up some momentum, and I guess that is like any tenant. They would be looking at, 'Who is going to be my landlord and what sorts of services and facilities can I expect?'. I think that level of confidence has really grown over recent times as the capacity of Aboriginal Housing Victoria is bolstered.

Mr DEYELL — There are only 120 Aboriginal tenants who have chosen to stay in public housing; 1400 have gone. We think that is pretty indicative of a lot of support for Aboriginal Housing Victoria.

Mrs SHARDEY — My question is around waiting lists. Some of it will require you probably taking it on notice, but nevertheless. First of all, in relation to this segmented waiting list, this is information that has been provided previously. What the committee would like is the average time for each of the segments spent waiting, across Victoria and by region. The last time the information was available was in May 2007. Can you put in numbers as well? Is that possible?

Ms CRAWFORD — Yes, we can.

Mrs SHARDEY — It would give us an idea of what we are really dealing with. The second element relates to today's waiting list. I gather there was a reduction of 295. But at the same time I also understand people on the waiting list were written to and asked whether they wanted to transfer to a housing association, whether they wanted to take up that option, or whether they wished to stay and wait for a house. But of course there were people who could not be contacted. In that way, although the number went down by 295, a lot of that may well have been due more to the fact that people have been taken off the waiting list. We would like figures for those three things. The last one relates to the integration of the waiting list. I understand there is some agreement between federal and state governments until 2011, something like that. We would just like an indication of how that is going, what you are aiming at, how it will happen, what it will really mean.

Ms CRAWFORD — Thank you. Just back on your first question around time, I do know that in terms of the first three segments, the what we call early wait, the time was 7.1 months at the end of 08–09. That is for the first three segments.

Mrs SHARDEY — Are you able to bring it up to June 09?

Ms CRAWFORD — Yes, June 09; I just did that.

Mrs SHARDEY — You just put out December.

Ms CRAWFORD — That is today.

Mrs SHARDEY — Today's waiting list is for December 09.

Ms DEYELL — That 7.1 is at the end of 08–09.

Ms CRAWFORD — It is for the end of the financial year. December 09 is 7.5.

Mrs SHARDEY — This is for December 09? Is this for segment 1?

Ms CRAWFORD — It is for segments 1, 2 and 3. To do it per segment I would have to take that on notice because I do not have that.

Mrs SHARDEY — That is fine.

Ms CRAWFORD — I should make it clear, though, that in terms of the wait-turn category, we do not normally assess a particular period of time because the circumstances and the preferences of people change, so we do not tend to do that.

Mrs SHARDEY — I understand that. You are saying that across the board it was — —

Ms CRAWFORD — It was 7.5 for early wait at the end of December 09.

Mrs SHARDEY — That is the total for 1 to 3?

Ms DEYELL — Yes.

Mrs SHARDEY — Okay, so we would like it by segment and across — —

Ms DEYELL — By region and by number, yes.

Ms CRAWFORD — That is good. In terms of — it sounds horrible but it's what we call it — the cleansing of the waitlist — —

Mrs SHARDEY — I was not going to use that word.

Ms CRAWFORD — I know, it is horrible, isn't it?

Mrs SHARDEY — I nearly did, and then I thought, 'No, that sounds too bad'.

Ms CRAWFORD — It does, doesn't it? The practice has been in place. It is not something that is new. It is quite good. It is appropriate management.

Mrs SHARDEY — No, it was done recently a couple of times.

Ms CRAWFORD — It has always been done.

Ms DEYELL — It just needs a new term.

Ms CRAWFORD — It does need a new term. I like to claim a little bit of credit, because since I have come into the role we have not just written to people, we have tried to telephone them as well. I thought it was just too harsh.

Mrs SHARDEY — I am glad to hear that.

Ms CRAWFORD — We now telephone people as well if we get return mail. That does happen. The last one, which was about the integrated waitlist — —

Mrs SHARDEY — Integrating the waiting list — —

Ms CRAWFORD — I think I referred earlier to the fact that it is part of the national reforms that were tied to the National Affordable Housing Agreement. All states and territories have been asked to develop an integrated waitlist. We have got until — —

Ms CONGLETON — I think it is, as you mentioned, until June 2011, unless otherwise agreed to, because that is an area again where there can be bilateral agreement. Of course, depending on the jurisdictions, it depends on the size of the task. I think the other thing is, as we were talking about today, it is something that — and as Margaret mentioned earlier — we want to do this in close collaboration with our sector.

Mrs SHARDEY — But what does it really mean?

Ms CRAWFORD — I think I mentioned before that it is not just one list. I think it is a system-wide approach to how we — —

Mrs SHARDEY — You mentioned something in here.

Ms CRAWFORD — Yes, it is a system-wide approach to how we prioritise, how we classify people, how we assess them and then how we allocate the available stock to get the best possible outcome. I think that is quite a complex exercise and again one that I do not believe we should attempt to do in isolation from the sector. It is something that I think we have actually just signed off on to get some help with facilitating a process to get that in place. What it will actually look like — I think we are still open to that, because it is not, to me, just a waitlist; it is actually a much more complex piece of work that we would want to develop with the sector.

Mr DEYELL — It would make it easier for the public to access.

Ms CRAWFORD — And the other part to it is something I have referred to a couple of times today — that I would hope it would be a lot more transparent and potentially lead to greater choice for applicants as well.

Mr NOONAN — I want to ask a question about specific groups which require public and social housing. It is a two-part question. The first part relates to the investment in the Common Ground project. I wonder whether you might indicate to us, in terms of the current segmented waiting list, who are likely to secure housing and why it is that once they secure housing they will be in a position where they will not be required to move to long-term housing. That is the first part. The second part — and this relates to evidence that we have received from some of the disability peak bodies — is in relation to the number of dwellings that, through the national stimulus funding which will go to the 4500 new dwellings, will be appropriate or are being specifically targeted at assisting people with a disability in terms of their design. We have had one submission which indicated that it may be as low as 45, which seems pretty low.

Ms CRAWFORD — In relation to the Common Ground supported accommodation initiative, we are currently involved in developing that facility in Elizabeth Street. If you drive past it, you can see it coming out of the ground, which is pretty amazing. In that facility there is to be 120 units out of, I think, 160 that will be targeted at the most chronically homeless people.

Mr NOONAN — So classically segment 1?

Ms CRAWFORD — Correct. They will have support on site. As you pointed out, part of the funding for that building has come through that niche Commonwealth program called A Place to Call Home. The particular focus of that program is so that when homeless people first get housed they do not then have to move again into long-term housing. They will come there and, hopefully, stay there as long as they need the level of support. The support will move with them, rather than their having to move. That is the aim of that facility.

Mr NOONAN — Is that to stop a revolving-door effect, which is currently happening?

Ms CRAWFORD — Yes, exactly. It is also just to get people stable and not have to move through. Everyone is quite different. Some of our transitional housing stock — the theory behind that is that people come in and they have a particular period of time when they stay in that stock. In that time they get support or they get reconnected into education or whatever, and then they move into either the private rental market or into public housing. And that works. For a lot of people that is a really good system, but for some people it involves one more move. The idea of A Place to Call Home is to say to them, ‘Once you secure this housing, we will vary

the level of support, depending on your need, as opposed to your having to move through different types of housing'. That is the initiative there.

In relation to disability and the allocation through Nation Building, I do not know that we have actually got a specific figure for how many people with disabilities will be allocated to the Nation Building stock. Having said that, all of the Nation Building new stock is built to universal design standards, so that is in terms of either accessibility or adaptability. In fact all public housing stock is built according to those design standards. In terms of catering for people with disabilities, we are certainly doing as much as we can in that regard in our existing stock. We do not go back and retrofit all of our stock because that would be just too expensive, but where a person has a particular need for a modification, backed up by medical evidence and the like, we will in fact modify stock to accommodate their needs.

Mr SCHEFFER — Last week Hanover Welfare Services came to see us. Amongst the range of things they raised they described a situation where families with young children of, let us say, preschool age would go into transitional housing in a particular locality. They would be living in a situation where the family would know that eventually they would be moved. Kids are in the local school and then after some period of years, maybe three or four years, they would be moved to another part of town. Hanover talked about the disruption that that caused. I am not asking you to comment on that particular issue; I am just using it as an illustration. They drew out of that that the problem was that the Office of Housing does not talk to the education department. That then, of course, is set in a larger issue, which is the old conundrum of public administration, particularly in larger jurisdictions such as ours: how you get different sections of the system communicating effectively with other sections. A Fairer Victoria has been one strategy the Victorian government has used to try to draw a lot of those strands together so there is common thinking about how they will interrelate. I am not asking you a policy question; I restrict it to the operational aspect of it. What have you got in place that allows you to talk to other relevant departments?

Ms CRAWFORD — Probably there is a range of mechanisms that vary a little bit depending on the particular agency. In the case of education, we have done a lot of work with the department of education over the last 12 to 18 months, particularly around, obviously, youth homelessness and have in fact — I would like to say — helped it shape its policies in relation to providing guidelines for schools about identifying people who are potentially falling out of housing: how to identify that, how to support people, what guidelines to provide teachers et cetera. We are working with them at that level. More recently we have been developing a new 10-year Victorian homelessness strategy in response to the Commonwealth's white paper called *The Road Home*. So education is a key partner with us in that, as are other parts of government. We are working obviously with our colleagues across the Department of Human Services and also with the health department, the Department of Justice, the department of education and DIIRD in relation to training and skills development. We are genuinely trying to make that very much a whole-of-government approach to addressing homelessness in Victoria. Is that sufficient?

Mr SCHEFFER — Yes.

Mrs SHARDEY — If I just might add, is there a report on the 2002 homelessness strategy, because there is now a new homelessness strategy? Have you got a report for the committee? Can you make one on the outcome of the 2002 homelessness strategy available?

Ms CRAWFORD — I think the answer specifically is no, there has not been a specific summing up of that strategy. Having said that, we would hope a lot of that strategy is being incorporated into the new one because great things came from that strategy, in particular around the sector professionalism.

Mrs SHARDEY — Were there not reviews that went along time lines and all sorts of things I recall? There must be something.

Ms CONGLETON — I know that there has been an evaluation of the Youth Homelessness Action Plan stage 1, and we are in the process of doing an evaluation of the Youth Homelessness Action Plan stage 2. So there have been some evaluations done.

Ms CRAWFORD — Components.

Ms CONGLETON — Yes, components, and we are doing one on what is called YHAP2, which is the Youth Homelessness Action Plan stage 2.

Mrs SHARDEY — I think we would like all that information.

Mr SCHEFFER — I want to push a little bit further what I was just asking before. How do you do that in the department? When an issue comes up to you have a process whereby you identify the relevant area? Can you step through that a bit?

Ms CRAWFORD — In particular in the development of the new Victorian homeless strategy, which will go out to 2020, there is an interdepartmental committee which is chaired by the Secretary of the Department of Human Services that meets at a very senior level across a broad range of other parts of government. Below that there is a working group that I chair, again with my colleagues across government; so there is quite a formal governance arrangement around both the development of the strategy and ultimately, presumably, the implementation of it as well. Over and above that there would be numerous other committees. Anne, I know, is active particularly with mental health drugs, with disability and other areas. Richard works with our partners in justice.

Mr DEYELL — And neighbourhood renewal meetings. We have got regular connection across all programs.

Ms CRAWFORD — Neighbourhood renewal, of course, is a particularly joined-up initiative especially supported by our colleagues in the Department of Planning and Community Development. There is a range of mechanisms. I think housing is getting much better at it than perhaps it used to be. We also have regular conversations, obviously, with central agencies that were very much our partners in negotiations around the COAG agreements. We have both formal and informal relationships across the government.

Mr SCHEFFER — So strategies. We often use the expression ‘whole of government’ as a kind of rhetoric when things need to be whole of government, meaning that everybody needs to be aware of what the issue is. But you are saying that increasingly we are developing mechanisms where the system can be talking across portfolios and developing outcomes that are properly matched.

Ms CRAWFORD — More and more would be my response to that. There is much more recognition that you cannot just operate in a silo: you have to partner both with the sector and with other parts of government because these issues are not something that housing alone can tackle; they are much broader, more complex challenges.

The CHAIR — Thank you very much for your presentation. It has been a longer session than we initially planned for; thank you very much for your patience. It was very informative.

Committee adjourned.