



Submission to:

## The Victorian Social Housing Regulation Review 2021

### Consultation Paper 3: Role of Regulation in sector accountability, viability and growth

#### **Executive Summary**

Housing for the Aged Action Group (HAAG) welcomes the opportunity to respond to the Victorian Social Housing Regulation Review (Consultation paper 3 – Regulation in sector accountability, viability and growth). In making this submission we drew on our experience and expertise working with and for older people experiencing or at risk of homelessness for over 30 years. This submission is informed by the contribution and experience of our members, in particular our members living in public and community housing.

HAAG recognises housing as a human right and public health issue, and agrees with the statement in the consultation paper that “The social housing system (and housing assistance more broadly) should aim to offer stable, adequate and appropriate housing to the highest number of people, both now and in the future.”

We will not be addressing each question in the consultation paper, however, we will be making general comments on themes arising.

#### **Background on Housing for the Aged Action Group (HAAG)**

HAAG is member-based, community organisation specialising in the housing needs of older people. The organisation has over 500 members actively campaigning for housing justice. HAAG’s service arm is the Home at Last (HAL) service which provides a one-stop shop of

housing information, support, advice and advocacy for Victorians over 50 years of age. This assistance is provided through an intake and referral service assisting over 1,000 people per year. We also provide outreach support to re-house older people who are homeless or at risk of homelessness into long term affordable, age-appropriate housing.

We have an early intervention and prevention approach to homelessness, which involves providing community and professional education to alert people to what places older people at risk of homelessness and pathways to support. Since 2015, we have had a strong Cultural and Linguistically Diverse focus, and a team of bilingual workers who provide community education to groups of older people from a non-English speaking background. We have recently expanded this program to include peer educators who have a lived experience of homelessness, and we are now working with the LGBTI community.

Our member base includes former clients who have been assisted by our Home at Last service into public and community housing and, as such, are valuable sources of information about the impact of social housing regulation on their lived experience as tenants. Our support workers have close working relationships with the offices of housing allocations teams and community housing providers and provide unique insight to inform this submission.

## **HAAG's consultation to inform this submission**

HAAG is committed to elevating the voices of older people in all our work. To inform this submission, we are drawing on our research [Public vs Community housing: comparing on the rights and experiences of older tenants](#), which includes detailed interviews with community housing and public housing tenants, and our housing support team. We also drew on our previous submissions, research and policy briefs, which can be found on our website [www.older tenants.org.au](http://www.older tenants.org.au).

## **General comments on the consultation paper**

HAAG are strong advocates for public housing, owned and managed by government, as it provides the only secure and affordable tenure for older people. We have grave concerns about the directions outlined in this discussion paper for the future of public housing, and the potential impact on potential and current social housing tenants. The implication that the private sector or non-government sector are better at managing housing, more efficient or innovative does not align with the experiences in other jurisdictions, yet the paper is peppered with these value assumptions.

Homes Victoria is now responsible for the management of Victoria's public housing, with the Director of Housing now the CEO of the new entity, run by a board consisting largely of property developers. The chair of Homes Victoria has expressed strong support for privatization of government assets to "unlock capital", and a key issue within the regulatory system is how it can protect tenants from losing their rights when they are in conflict with a profit motive.

### What would be the risks and benefits of allowing for-profit organisations to provide social housing services in Victoria?

HAAG does not support for-profit providers being able to be registered as community housing providers. The profit imperative disadvantages low-income tenants. As we have seen in the community housing sector, where although providers are not-for-profit they still rely on rental income, low-income tenants are disadvantaged, there is less security of tenure and higher rents. For-profit developers should not be in receipt of government money for housing – taxpayer money should be used for the benefit of the community, not for the profits of private developers.

In a privatised service, profits must be paid to shareholders, not reinvested in better services. Interest rates are higher for private companies than they are for government. Contracts to deliver public services are agreed between private companies and government behind closed doors. There is very little transparency, public accountability or scrutiny. The companies are not subject to Freedom of Information requests because of ‘commercial confidentiality’. When private companies fail to deliver, the public has no powers to intervene and government doesn’t always have the time or expertise to force them to keep their promises. Privatisation means less flexibility for changing circumstances - if a contract with a private company needs changing, government must pay more to make changes or improvements, add in extras or to opt out.<sup>1</sup> Private companies pick and choose which services they want to provide, and leave the less profitable services to government – for example, providing housing for low income tenants.

### What level of importance do you attach to the regulation of social housing?

Regulation and enforcement of regulation is important when social housing is provided by non-government entities, so that tenant rights are upheld. An unregulated market would spell disaster for the most vulnerable in our community.

### How does Homes Victoria influence the decision making of registered community housing organisations?

Homes Victoria, as a government entity, should set registration of community housing organisations according to how best they adhere to standards as a social housing landlord, including capping of rents, transparent and fair tenancy selection and security of tenure. If for example, a housing provider is consistently evicting tenants for rent arrears then their registration should be reviewed.

### Should public and community housing be regulated under common regulatory arrangements? What changes to the governance structure of Homes Victoria would be needed for this to occur?

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<sup>1</sup> <https://weownit.org.uk/privatisation>

Community housing providers management standards should be regulated so that tenancy selection, rent setting, modifications and transfers align with public housing management standards.

**Should Affordable housing providers be included in the social housing regulatory framework, or is a different system appropriate? Which types of Affordable housing should be included in a regulatory framework?**

Affordable housing providers should be included in the social housing regulatory framework if they are in receipt of government money or using government-owned land. A proportion of affordable housing should target the “missing middle”, that is, older people, often women, who have a small amount of savings rendering them ineligible for public housing but not enough to afford any other housing option.

**How important do you consider sector diversity is in encouraging innovation in social housing services? How does this align with the benefits of encouraging growth?**

Older people need choice in housing. This means having affordable, accessible, safe and secure housing in places where they want to live. Having a diverse range of providers, including catering to special needs (for example, LGBTI older people, CALD older people) is essential for ensuring choice. However, as the evaluation into the Kensington housing redevelopment found<sup>2</sup>, “Claims that social mix will mitigate negative neighbourhood effects assumed to derive from place-based disadvantage have little foundation, and should not be used to justify public housing estate redevelopment.” Direct investment in a range of public housing options would provide diverse choice for tenants, is the most cost-effective use of government money, and would negate the need for this consultation paper.

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[https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Public\\_Housing\\_Renewal\\_Program/Kensington\\_estate\\_evaluation\\_Jan\\_2013.pdf](https://www.parliament.vic.gov.au/images/stories/committees/SCLSI/Public_Housing_Renewal_Program/Kensington_estate_evaluation_Jan_2013.pdf)