



1 November 2017

The Secretary  
Legal and Social Issues Committee  
Parliament Housing  
Spring Street  
East Melbourne VIC 3002  
e: [phrp@parliament.vic.gov.au](mailto:phrp@parliament.vic.gov.au)

**Ask for:** Kathleen McClusky  
**Phone:** 9932 1004  
**Our Ref:** A2725629

Dear Secretary,

### **Inquiry into the Public Housing Renewal Program**

Thank you for providing Hobsons Bay City Council with the opportunity to provide feedback on the Terms of Reference for the Inquiry into the Public Housing Renewal Program.

The provision of affordable housing is an issue of increasing concern to Hobsons Bay. As per Council's Affordable Housing Policy Statement 2016, Council is committed to ensuring all households in the municipality are able to live in affordable, secure and appropriate housing that meets their needs, particularly those with low and moderate incomes.

In reviewing the Terms of Reference Council is supportive of increasing the supply of affordable housing, however the renewal sites should not be redeveloped without consultation with councils and communities to ensure local needs are understood and future planning considered.

I have attached the Council's submission for your reference. If you would like to discuss this matter further please contact Kathleen McClusky, Manager Strategy and Advocacy on 9932 1004 or email [kmclusky@hobsonsbay.vic.gov.au](mailto:kmclusky@hobsonsbay.vic.gov.au).

Yours sincerely,

Chris Eddy  
Chief Executive Officer



## **Submission to Inquiry into the Public Housing Renewal Program**

Housing costs in the middle ring municipalities such as Hobsons Bay have increased significantly over recent times. Given its close proximity to the Melbourne central business district, infrastructure, and open space, the cost of housing in Hobsons Bay has become a barrier to a sizeable proportion of households wanting to rent or buy a home in the municipality.

The Australian Housing and Urban Research Institute (2013) also found that low-income households are most likely to move out of gentrifying areas and these include “both renters and home owners, with unemployed owner-purchasers, low-income private renters with one employed person in the household, retired private renters and unemployed working age private renters being most vulnerable”. This is becoming a broader issue across the western metropolitan region, with a reliance on housing affordability within the rapidly growing urban growth boundary.

While the Public Housing Renewal Program does not include any renewal sites in Hobsons Bay, as of the most recent data in 2012, Hobsons Bay had 1,251 public housing dwellings (3.3% of total dwellings).

Below are some key points Council would like to provide in relation to the Terms of Reference for the Inquiry into the Public Housing Renewal Program.

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

Victoria is facing a shortfall in affordable housing stock. As per Victoria’s Social and Affordable Housing Shortfall Report by Terry Burke, the following is required to meet current and future demands:

- to keep Victorian social housing supply at 3.5 per cent of all housing, would require an additional 30,800 dwellings by 2031 and 66,203 by 2051 – which translates to more than 1,900 new dwellings each year

However, this is well short of the number of additional properties required to meet actual need.

- to meet the needs of the 53,105 households who are eligible for priority housing (in 2031), more than 3,000 additional dwellings are needed a year

This would still not be enough to meet the needs of all those households who would be eligible to apply for social housing in 2031 (anticipated to be 101,592 households).

- more than **6,000 additional homes a year** would be required to satisfy all unmet needs



Given this, the Victorian State Government should consider increasing the percentage of affordable housing on redevelopment sites as well as increasing affordable housing in general across the state through reviewing low density stock. Furthermore the government should implement legislative tools to increase affordable housing such as inclusionary rezoning and value uplift capture for all public and private developments.

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

Reports indicate that current public housing stock lacks diversity. Housing needs to be diverse and flexible in order to meet the current and future needs of the community. Furthermore Victoria has an ageing population therefore the need for one bedroom dwellings will increase.

Apartments should meet the State Government Better Apartment Design Standards. In addition, housing should be accessible, utilising the principles of Universal Design, include sustainability features to reduce household costs, include adequate storage, and have access to private and communal open space.

- 3. the effects on current public housing tenants, including:**
- a. whether they will be moved to accommodation that is secure, stable and fit for purpose**
  - b. whether they will be moved to accommodation that is close to existing social support networks, educational, health and welfare services**
  - c. whether current tenants will be able to return to the estates**

The current tenants of public housing that is set to be redeveloped should be provided the opportunity to return to the accommodation once complete. During construction, the housing tenants should be relocated to an area of their choosing or in close proximity to their current place of residence to ensure they can maintain local connections and existing service providers. All tenants should be housed in accommodation that is in close proximity to services and transport options.

**4. the allocation of parts of the sites between the proposed new public and private housing units**

Council is supportive of Public Private Partnerships (PPPs) in the redevelopment of public housing stock. PPPs seek to leverage private sector investment in affordable housing which increases public housing and/or offers the private sector partner access to development opportunities on a government land asset.

Through PPPs the development also increases in the level of diversity of residents within the housing site. Each dwelling should have access to private and public/communal open space. The communal spaces for public housing should not be segregated from the private housing units, rather it should encourage community interactions and inclusion.



**5. the lack of public condition assessments of the estates or alternative options such as refurbishment of all or part of the existing housing units**

In relation to public condition assessments and assets, Hobsons Bay supports the VAGO Managing Victoria's Public Housing Report 2017 recommendation five:

*Develop and implement an asset strategy for public housing that:*

- *reflects a comprehensive understanding of service supply and demand over the short, medium and long term*
- *establishes outcome-focused performance standards for asset management that adhere to the benefit-mapping principles contained in the Department of Treasury and Finance's Investment Management Standard*
- *establishes a holistic and transparent life cycle approach to asset planning decisions that captures regional input*
- *establishes governance arrangements that clearly communicate roles and responsibilities and provide for sustained oversight of asset management performance*
- *is reviewed and updated so that it remains current*

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

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

**8. the proposed loss of third party appeal rights**

Hobsons Bay understands the sensitivities around the redevelopment of these sites and is supportive of additional affordable housing in Hobsons Bay being available for residents.

Developments should be of a high quality with density and heights sensitive to the surrounding neighbourhood character. There should be no negative impacts on the environment or existing public infrastructure and each development should have access to open space (both private and public).

As the level of government closest to the community and understanding of the local context, Council's views should be genuinely considered in any redevelopment proposal. This should include consideration of built form outcomes and off site impacts – not the use of the land for public housing. The process for undertaking this could be modelled on the existing Planning Scheme Amendment process whereby a suite of supporting documentation is required to justify the proposed development.



An independent body should be established to consider any issues, this would ensure transparency and independence.

If an independent body was established considerations could be given to the loss of third party appeal rights, however this would need further consideration from Council.

**9. the transparency and genuine community consultation with affected residents, neighbouring communities and the broader Victorian community regarding the short, medium and long term implications of the PHRP model as currently proposed**

Hobsons Bay would strongly encourage the Victorian State Government to consult with the community and stakeholders regarding the PHRP model and continue to consult during the redevelopment of the sites. This will ensure an understanding of local issues as well as ensure the surrounding community are aware of the process and end product.

Finally, it is recommended that the Victorian State Government implement the recommendations from the 2016 Victorian Auditor-General's Report in Managing Victoria's Public Housing.