

Building a better housing future for Victoria

A joint statement from the community sector in response to the Housing Framework

We commend the Victorian Government's commitment to developing a Social Housing Framework. The time has come for Victorians to work together to build a brighter housing future. For too long, fixing our housing problems has been put into the 'too hard' basket, with the result that there are too few houses, decaying public housing stock and community housing providers are unable to meet increasing demand. An accessible, affordable and appropriate home is the foundation of a dignified life, but securing one has become difficult for many, and impossible for some.

As housing has become less affordable, rates of home ownership have decreased, affordable private rental properties have all but disappeared and social housing systems have been strained to breaking point. The failure of the private housing market is putting ordinary Victorians under strain and is catastrophic for many people experiencing disadvantage.

Victoria's current *Housing Act 1983* has the objective of ensuring 'that every person in Victoria has adequate and appropriate housing at a price within his or her means'.ⁱ It is vital that State Government reaches this goal, in partnership with the community.

We, the undersigned, urge the Victorian State Government to:

1) Improve housing outcomes

Set strong goals and objectives for the Victorian housing system

If we are going to achieve real change, we must agree on a shared vision of the future for housing in Victoria. We need to set out clear outcomes and measure our progress towards them. As a starting point, housing reforms should be firmly based on the achievement of improved outcomes in:

- **Accessibility:** people can actually access housing, with homelessness being the most evident example of failure.
- **Affordability:** people can actually pay for housing, while having enough income for the other life necessities.
- **Appropriateness:** people's housing is suitable for their needs, including, for example, whether the tenure is secure, the housing is well located and the housing is well maintained.

2) Invest to fix the underlying financial problems

Finance an ongoing operating contribution for long-term public housing sustainability

Over the last decade public housing has become highly targeted to people experiencing the most extreme forms of disadvantage.ⁱⁱ This has resulted in a growing operating deficit which must be addressed in order to continue providing secure and affordable housing options for vulnerable and disadvantaged Victorians. The future financial sustainability of public housing will require commitment by Government to a recurrent operating contribution for public housing which must be scaled to support the housing outcomes described above.

3) Go for growth

Develop innovative finance models to expand low-cost housing stock

At its core, the housing problem is simple: there are not enough affordable homes. Even where low-cost private rental properties exist, they may not be occupied by the people who most need them. The National Housing Supply Council estimates that there is a shortage of 493,000 rental properties that are affordable and available to low-income households.ⁱⁱⁱ

Both public and community housing systems are essential components of fixing the problem – because we can make sure that people experiencing disadvantage get access. We can spread the load of investing in low-cost housing by using every available opportunity. This may include public, private and philanthropic investment and reforming the regulatory system to inspire confidence for investors and maximise the leverage of every dollar.

4) Help tenants build a better future

Support policies to promote tenant security and participation

Ultimately, the goal of housing is to build a foundation for a dignified life. But simply having a house does not create a person's future. Housing policies have substantial impacts on people's ability to build a life, including by finding a job, caring for children and family, and contributing to the life of the community. Rental restrictions, such as limited tenure, won't work to solve often complicated problems. Tenants should not be penalised for aspiring to reach their potential, and should be able to count on the support they need to reach their aspirations.

Program and policy solutions that will in fact enhance economic and social participation include:

- Integrating public housing with other cross-sector services, to address tenants' long-term issues related to health, education, family instability and employment support.
- Relaxing income eligibility test requirements for applicants on the public housing waiting list to encourage connections to employment after the initial eligibility criteria is met.
- Removing barriers to economic participation.

5) Work together to create lasting change

Establish a state-wide affordable housing taskforce

No single player will fix this problem. Piecemeal reforms and proposals that only examine a part of the issue in isolation, will continue to fail. Only by working together can government, community organisations and the private sector find solutions that will last. We urge government to work collaboratively with the community and business sectors by convening a state-wide affordable housing task force to forge solutions to the affordable housing crisis. Representatives could include peak bodies, tenant representatives, housing experts, community housing providers, financial experts and potential housing investors.

Solutions should address:

1. Viable operating models for public and community housing.
2. Finance models that would provide strong growth in affordable housing.
3. Supporting tenants to reach their potential.
4. Creating diverse and supportive housing communities.
5. Developing rent and tenure policies that remove barriers and promote employment, education and training.

ⁱ *Housing Act 1983, s6(1)a*

ⁱⁱ Victorian Auditor-General's Office (VAGO), *Access to Public Housing*, March 2012

ⁱⁱⁱ National Housing Supply Council, *State of Supply Report*, Commonwealth of Australia, 2010