

## Community Support and Services Committee

### **SOCIAL HOUSING INITIATIVES IN NEW SOUTH WALES AND VICTORIA**

#### **Background**

On 28 March 2022, the committee resolved to conduct a study tour in Sydney and Melbourne to investigate innovative models for the provision of public and social housing. Housing is a portfolio responsibility of the Community Support and Services Committee (CSSC), with public housing availability and housing affordability a key concern for other portfolios of the committee, including Seniors, First Nations Peoples and young people.

#### **Housing terminology**

**Public housing** is provided by a state government. In New South Wales (NSW), eligible tenants pay between 25% and 30% of their assessable household income as rent.<sup>1</sup> In Victoria, all public housing renters in Victoria can apply for a rental subsidy called a rental rebate. The rental rebate is the difference between 25% of the total assessable income of all household members and the market rent of the property.<sup>2</sup> Some public housing is managed by community housing providers.<sup>3</sup>

**Community housing** is housing owned or managed by not-for-profit community housing providers, which may work in partnership with state governments.<sup>4</sup>

**Social housing** is an umbrella term that includes both public housing and community housing. It generally indicates housing that involves some degree of subsidy.<sup>5</sup>

**Affordable rental housing** may be owned by private developers, investors, local governments, charitable organisations or community housing providers.<sup>6</sup> This type of accommodation is not social housing.<sup>7</sup> It is usually managed by not-for-profit community housing providers, and sometimes by private organisations.<sup>8</sup> As a general guide, 'housing is usually considered affordable if it costs less than 30% of

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<sup>1</sup> New South Wales Government, Department of Communities & Justice, 'Charging Rent Policy', <https://www.facs.nsw.gov.au/housing/policies/charging-rent-policy>. All webpages are correct as at 23 August 2022.

<sup>2</sup> Victorian Government, Housing Victoria, 'Market rent and rental rebates', <https://www.housing.vic.gov.au/market-rent-and-rental-rebates>.

<sup>3</sup> Rental and Housing Union – Victoria, 'Public, Social, Community or Affordable? Demystifying Housing Terms in Victoria', <https://rahu.org.au/public-social-community-or-affordable-demystifying-housing-terms-in-victoria/>.

<sup>4</sup> Victorian Government, Housing Victoria, 'A housing explainer – social housing in Victoria' <https://www.vic.gov.au/homes-victoria-housing-explainer>.

<sup>5</sup> Victorian Government, Housing Victoria, 'A housing explainer – social housing in Victoria', <https://www.vic.gov.au/homes-victoria-housing-explainer>.

<sup>6</sup> NSW Government, Department of Communities & Justice, 'What is affordable housing', <https://www.facs.nsw.gov.au/providers/housing/affordable/about/chapters/what-is-affordable-housing>.

<sup>7</sup> NSW Government, 'Affordable housing', <https://www.nsw.gov.au/life-events/living-nsw/renting-a-property-nsw/low-cost-housing-options/affordable-housing>.

<sup>8</sup> New South Wales Government, Department of Communities & Justice, 'What is affordable housing' <https://www.facs.nsw.gov.au/providers/housing/affordable/about>.

gross household income'.<sup>9</sup>

## New South Wales

### Provision of public housing

In NSW, public housing is administered by 2 departments, each with a different Minister. The Housing, Disability and District Services unit within the Department of Communities and Justice is responsible for housing clients and tenancies. The Department of Planning, Industry and Environment is responsible for housing assets, through the Land and Housing Corporation (LAHC) and the Aboriginal Housing Office (AHO), and housing strategy.

#### *Land and Housing Corporation*

The LAHC manages the largest portfolio of social<sup>10</sup> housing in Australia with over 125,000 properties, valued at \$51 billion.<sup>11</sup> The LAHC's work is guided by the [Future Directions for Social Housing](#) 10-year strategy, the [Housing 2041](#) 20-year strategy, and the [LAHC Portfolio Strategy 2020](#), which sets out the LAHC's 20-year vision and priorities to grow and change its social housing portfolio.<sup>12</sup>

#### *Aboriginal Housing Office*

The AHO owns 5,800 properties in NSW and provides affordable housing for Aboriginal people.<sup>13</sup> The AHO is a statutory body established under the *Aboriginal Housing Act 1998* (NSW) to ensure that Aboriginal and Torres Strait Islander people have access to affordable, quality housing. The AHO is funded by the NSW and Australian Governments to administer the state's Aboriginal community housing assets.<sup>14</sup>

The AHO is governed by an all-Aboriginal Board, which provides advice to the Minister for Planning, and Minister for Homes on Aboriginal housing issues in NSW. In addition, the AHO manages and coordinates an annual capital works program, along with developing and implementing financial and resourcing strategies.<sup>15</sup>

The AHO administers the Aboriginal Community Housing Investment Fund (ACHIF) program, which provides grant funding to grow new supply and carry out repairs and upgrades for community-owned housing, deliver improved living conditions and help reduce homelessness and overcrowding issues, and support the construction industry and associated trades with a focus on local and Aboriginal employment

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<sup>9</sup> NSW Government, 'Affordable housing', <https://www.nsw.gov.au/life-events/living-nsw/renting-a-property-nsw/low-cost-housing-options/affordable-housing>; New South Wales Government, Department of Communities & Justice, 'What is affordable housing'; <https://www.facs.nsw.gov.au/providers/housing/affordable/about>.

<sup>10</sup> Social housing is an umbrella term that includes both public housing and community housing. It generally indicates housing that involves some degree of subsidy.

<sup>11</sup> NSW Government, Land and Housing Corporation, 'About Social Housing', <https://www.dpie.nsw.gov.au/land-and-housing-corporation/social-housing>.

<sup>12</sup> NSW Government, Land and Housing Corporation, 'About Social Housing', <https://www.dpie.nsw.gov.au/land-and-housing-corporation/social-housing>.

<sup>13</sup> NSW Government, Aboriginal Housing Office, *Access Choice Our future*, [https://www.aho.nsw.gov.au/sites/default/files/inline-files/Access%2C%20Choice%2C%20Our%20Future\\_0.pdf](https://www.aho.nsw.gov.au/sites/default/files/inline-files/Access%2C%20Choice%2C%20Our%20Future_0.pdf), p 2.

<sup>14</sup> NSW Government, Aboriginal Housing Office, 'What we do', <https://www.aho.nsw.gov.au/read-our-story/what-we-do>.

<sup>15</sup> NSW Government, Aboriginal Housing Office, 'What we do', <https://www.aho.nsw.gov.au/read-our-story/what-we-do>.

opportunities.<sup>16</sup>

### Future Directions for Social Housing in NSW strategy

The *Future Directions for Social Housing in NSW* 10-year strategy (Future Directions) released in January 2016<sup>17</sup> sets out the NSW Government's vision for social housing. The strategy aims for collaboration and accountability across all government agencies that have an interest in the 'life outcomes for social housing residents'.<sup>18</sup> The strategy sets out a plan for 'more social housing; more opportunities'; 'support and incentives to avoid and/or leave social housing'; and 'a better social housing experience'.<sup>19</sup>

Future Directions seeks to transform the social housing system in NSW by 2025 from 'one which is dominated by public sector ownership, control and financing of assets and provision of services, and in which tenants have little incentive for greater independence and live in circumstances that concentrate disadvantage', to 'a dynamic and diverse system' characterised by:

- greater involvement of private and non-government partners in financing, owning and managing a significantly expanded stock of social and affordable housing assets
- expanded support in the private rental market, reducing demand on social housing and the social housing waitlist
- more competition and diversity in the provision of tenancy management services through the expanded capacity and capability of community housing providers
- housing assistance being seen as a pathway to independence and an enabler of improved social and economic participation for tenants living in vibrant and socioeconomically diverse communities.<sup>20</sup>

To achieve the goals of Future Directions, the policy implements 3 interconnected strategies:

- significant expansion and redevelopment of stock through partnerships with private sector developers and finance
- transference of tenancy management responsibility to non-government housing providers
- wrap-around services to support tenants build their capabilities and take advantage of economic opportunities.<sup>21</sup>

The actions set out in the strategy to provide more social housing are as follows:

- increase redevelopment of Land and Housing Corporation (LAHC) properties to renew and grow supply
- increase the capacity of community housing providers and other non-government organisations to manage properties
- innovative financing and social impact investment models

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<sup>16</sup> NSW Government, Aboriginal Housing Office, 'ACHIF Program – Summary of funded projects', [ACHIF Program - Summary of funded projects | Aboriginal Housing Office \(nsw.gov.au\)](https://www.facs.nsw.gov.au/download?file=348442).

<sup>17</sup> NSW Government, *Review of rent models for social and affordable housing*, Independent Pricing and Regulatory Tribunal, July 2017, p 1.

<sup>18</sup> NSW Government, *Future Directions for Social Housing in NSW*, p 4.  
<https://www.facs.nsw.gov.au/download?file=348442>,

<sup>19</sup> NSW Government, *Future Directions for Social Housing in NSW*, p 5.  
<https://www.facs.nsw.gov.au/download?file=348442>.

<sup>20</sup> NSW Government, *Future Directions for Social Housing in NSW*, pp 5-6.  
<https://www.facs.nsw.gov.au/download?file=348442>.

<sup>21</sup> NSW Government, *Future Directions for Social Housing in NSW*, p 6.  
<https://www.facs.nsw.gov.au/download?file=348442>.

- better utilisation of social housing properties.<sup>22</sup>

## Funding

### *Social and Affordable Housing Fund*

The NSW Government's Affordable Housing Fund (SAHF) was launched in 2016. At that time, the NSW Government invested \$1.1 billion, with returns to go 'towards social and affordable housing projects in the form of a stable 25-year income stream'.<sup>23</sup>

### *Budget allocations*

The 2020-2021 NSW state budget committed \$812.0 million to the COVID-19 social housing stimulus package<sup>24</sup>, which was expected to deliver over 800 new social homes and upgrades to around 16,500 existing properties across the LAHC, AHO and community housing portfolios across 2020-21 and 2021-22.<sup>25</sup>

The 2021-2022 NSW state budget included \$852.5 million capital expenditure in 2021-22 to support the delivery of social and affordable housing and capital upgrades across NSW through the LAHC and the AHO, including \$366.5 million from the COVID-19 social housing stimulus package.<sup>26</sup>

The 2021-2022 NSW state budget allocated \$1.1 billion in recurrent expenses and \$51.2 million in capital expenditure to the Department of Communities and Justice for the Stronger Communities Cluster Outcome 4: 'People have a safe and affordable place to live'.<sup>27</sup> The services supporting this outcome include homelessness services, social housing and support. The funding included \$730.5 million for social housing, including \$52.4 million towards the ACHIF and associated Roads to Home housing assistance<sup>28</sup> (part of a \$66.8 million program announced in the 2020-21 Budget).<sup>29</sup>

The 2021-22 NSW state budget allocated \$337.9 million (\$307.1 million recurrent expenses and \$204.2 million capital expenditure over 4 years) to the Department of Planning and Environment for the Planning, Industry and Environment Cluster Outcome 3: 'Maximise community benefit from government land and property', for the construction and acceleration of new social housing properties, as well as

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<sup>22</sup> NSW Government, *Future Directions for Social Housing in NSW*, pp 8-12.  
<https://www.facs.nsw.gov.au/download?file=348442>.

<sup>23</sup> NSW Government, Department of Communities & Justice, 'Billion dollar social and affordable housing fund to deliver better outcomes', media release, 8 February 2016, <https://www.nsw.gov.au/media-releases/billion-dollar-social-and-affordable-housing-fund-to-deliver-better-outcomes>.

<sup>24</sup> NSW Government, *NSW Budget 2020-2021: Overview*, p 12.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-03/2020-21\\_Budget-Papers-Overview.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-03/2020-21_Budget-Papers-Overview.pdf).

<sup>25</sup> NSW Government, *Budget Paper No. 3, Infrastructure Statement 2021-22*, p 2-28.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-3-Infrastructure-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-3-Infrastructure-Statement.pdf), p 2 – 28.

<sup>26</sup> NSW Government, *Budget Paper No. 3, Infrastructure Statement 2021-22*, p 2-28. -  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-3-Infrastructure-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-3-Infrastructure-Statement.pdf).

<sup>27</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, p 7-15. -  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

<sup>28</sup> The Roads to Home housing assistance program partners with Aboriginal communities across NSW to upgrade infrastructure and roads, such as improvements in services such as household waste collection, postal delivery, emergency vehicles and community transport, <https://www.planning.nsw.gov.au/Policy-and-Legislation/Aboriginal-land-use-planning/Roads-to-Home>.

<sup>29</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, pp 7-15, 7-16.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

upgrades and maintenance by the LAHC and the AHO.<sup>30</sup> According to the budget papers, 'Activity will support job creation, improve the quality, comfort and safety of housing for tenants, provide roof restorations and replacements, recladding, solar power installations, drought relief hydro panels, climate resilient housing works and air conditioning'.<sup>31</sup>

### **Initiatives to overcome homelessness**

The NSW Government has committed to reducing street homelessness in NSW by 50% by 2025. This commitment is one of the NSW Government's 14 Premier's Priorities.<sup>32</sup>

The NSW Government invests over \$20.0 million per year in the NSW Homelessness Strategy 2018-2023 for prevention and early intervention programs to support people to establish and sustain long-term housing, screen young people at risk of homelessness, and to expand Assertive Outreach services.<sup>33</sup>

The 2021-22 NSW state budget allocated \$295.9 million to deliver a range of 'specialist homelessness services' across NSW.<sup>34</sup>

### *Together Home program*

Together Home is a \$177.5 million program that aims to transition people from homelessness and into long-term stable housing. Housing and support are provided through the program, which aims to address clients' support needs, build individual capability and capacity, and foster connections to community. The program was initially rolled out in July 2020 and aims to support 1,072 clients into long-term housing. It is delivered by 18 Community Housing Providers that sub-contract the support component to Specialist Homelessness Services or other partners.<sup>35</sup>

The 2021-22 NSW state budget allocated \$57 million investment over 2 years to expand the Together Home project, providing an additional 250 households with leasing and wrap around support services, and funding towards the construction of 100 new social housing dwellings for people who require long-term housing support at the end of the program.<sup>36</sup>

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<sup>30</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, p 4-13.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

<sup>31</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, p 4-13.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

<sup>32</sup> NSW Government, Department of Communities & Justice, 'Premier's Priority to reduce street homelessness', <https://www.facs.nsw.gov.au/about/reforms/homelessness/premiers-priority-to-reduce-street-homelessness>.

<sup>33</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, pp 7-15, 7-16.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).  
Assertive Outreach is an evidence-based practice to combat street homelessness. Housing staff, specialist caseworkers and health professional conduct patrols to proactively engage with people experiencing street homelessness, and provide a pathway to stable long-term housing,  
<https://www.facs.nsw.gov.au/about/reforms/homelessness/premiers-priority-to-reduce-street-homelessness/assertive-outreach#:~:text=Assertive%20outreach%20is%20an%20evidence,to%20stable%20long%2Dterm%20housing>

<sup>34</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, pp 7-15  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

<sup>35</sup> NSW Government, Department of Communities & Justice, 'Together Home', 28 July 2021,  
<https://www.facs.nsw.gov.au/housing/help/ways-are-you-homeless/together-home>.

<sup>36</sup> NSW Government, *Budget Paper No. 2, Outcomes Statement 2021-22*, pp 7-15, 7-16.  
[https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22\\_Budget-Paper-No-2-Outcomes-Statement.pdf](https://www.budget.nsw.gov.au/sites/default/files/2022-06/2021-22_Budget-Paper-No-2-Outcomes-Statement.pdf).

## Victoria

### Provision of public housing

Homes Victoria manages and maintains a \$31.0 billion portfolio of public housing dwellings, which are home to nearly 120,000 people.<sup>37</sup> As at June 2021, the Department of Families, Fairness and Housing (DFFH) managed 63,936 direct tenure public rental units.<sup>38</sup> That number consists of 62,823 rental general stock units (including leases) and 1,113 movable units (for information on movable units, see 3.4 below).<sup>39</sup>

### Homes Victoria

Public housing in Victoria is owned and managed by [Homes Victoria](#) (formerly the Director of Housing). Homes Victoria is a DFFH agency established in 2020. Homes Victoria works in partnership with community housing providers<sup>40</sup> who own or manage community housing throughout Victoria.<sup>41</sup> Homes Victoria was established to:

- support Victorians who are finding it difficult to secure stable, affordable housing and ‘help them live their best possible life’
- manage the state’s housing assets
- renew and substantially expand those assets by ensuring the Big Housing Build is delivered on budget and on time
- ensure Victoria has a sustainable housing system ‘that can deliver for generations to come’.<sup>42</sup>

The [Homes Victoria Advisory Board](#) provides independent advice to the Minister for Housing and CEO of Homes Victoria on matters such as:

- the strategic direction of Homes Victoria
- the commercial approaches to funding models and policies
- sector risks and mitigants.

### Funding

The COVID-19 Housing economic stimulus package, announced in May 2020, included almost \$500 million to build and upgrade more than 23,000 social housing units across Victoria, including \$35 million for ‘projects that will improve housing outcomes for Aboriginal Victorians’.<sup>43</sup> This funding was in addition to existing funding for housing initiatives.<sup>44</sup>

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<sup>37</sup> Victorian Government, Department of Families, Fairness and Housing (DFFH), *Annual Report 2020-21*, p 9. <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>38</sup> Victorian Government, *Housing and Homelessness additional service delivery data 2020-21*, p 16, <https://www.dffh.vic.gov.au/housing-and-homelessness-additional-service-delivery-data-2020-21-word>.

<sup>39</sup> Victorian Government, *Housing and Homelessness additional service delivery data 2020-21*, p 16, <https://www.dffh.vic.gov.au/housing-and-homelessness-additional-service-delivery-data-2020-21-word>.

<sup>40</sup> Community housing providers are highly regulated, not-for-profit organisations that specialise in housing the diverse range of tenants that require both public and affordable homes, <https://www.homes.vic.gov.au/housing-explainer>.

<sup>41</sup> Victorian Government, DFFH, *Annual Report 2020-21*, p 9. <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>42</sup> Victorian Government, DFFH, ‘About Homes Victoria’, 10 November 2021, <https://www.homes.vic.gov.au/about>.

<sup>43</sup> Victorian Government, *COVID-19 Housing economic stimulus package: Questions and Answers*, pp 1, 3, [Economic Stimulus package QA final 18.05.2020.docx \(live.com\)](#).

<sup>44</sup> Victorian Government, *COVID-19 Housing economic stimulus package: Questions and Answers*, p 2, [Economic Stimulus package QA final 18.05.2020.docx \(live.com\)](#).



In the 2021-22 Victorian state budget, \$1 billion was allocated to Housing Assistance.<sup>45</sup> The 2021-22 budget papers state this output provides:

- housing assistance for low-income families, older people, singles, youth and other households, through the provision of appropriate accommodation, including short-term and long-term properties that assist in reducing and preventing homelessness
- housing support services to people who are homeless or at risk of homelessness, in short-term housing or crisis situations to assist clients in accessing and maintaining tenancies in appropriate accommodation, and to assist in the prevention and overall reduction of homelessness.<sup>46</sup>

This funding allocation included \$6.5 million across 4 years for ‘Paving the Way Forward: pathway to recovery at North Melbourne and Flemington housing estates’ and additional funding for homelessness initiatives outlined at 3.3 below.<sup>47</sup>

The 2021-22 Victorian state budget also listed \$215.1 million in total new housing capital works projects, including construction, spot purchases, and high and low rise upgrades.<sup>48</sup>

## Big Housing Build

The Big Housing Build, managed by Homes Victoria, is a \$5.3 billion program to fast-track the construction and acquisition of social and affordable housing across metropolitan and regional Victoria.<sup>49</sup> It is expected that this program will boost the state’s social housing supply by 10% in 4 years,<sup>50</sup> and will become ‘the largest single investment of its kind in Victoria’s history’.<sup>51</sup> The DFFH annual report 2020-21 states the Big Housing Build ‘will deliver more than 12,000 new social and affordable homes over the next four years and create tens of thousands of jobs ... with a focus on creating new apprenticeships, cadetships and traineeships in the building and construction industry’.<sup>52</sup>

## Public Housing Renewal Program

In addition to the Big Housing Build, under the \$185 million Public Housing Renewal Program, announced in 2017, Homes Victoria is replacing 7 major public estates with new, energy efficient dwellings.<sup>53</sup>

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<sup>45</sup> Victorian Government, *2021/22 Budget Paper No. 3, Service Delivery*, p 206, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+Service+Delivery.pdf>.

<sup>46</sup> Victorian Government, *2021/22 Budget Paper No. 3, Service Delivery*, p 206, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+Service+Delivery.pdf>.

<sup>47</sup> Victorian Government, *2021/22 Budget Paper No. 3, Service Delivery*, p 46, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+Service+Delivery.pdf>.

<sup>48</sup> Victorian Government, *2021/22 Budget Paper No. 4, State Capital Program*, p 153, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+State+Capital+Program.pdf>.

<sup>49</sup> Victorian Government, DFFH, *Annual Report 2020-21*, p 9, <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>50</sup> Victorian Government, DFFH, *Annual Report 2020-21*, p 20, <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>51</sup> Victorian Government, DFFH, *Annual Report 2020-21*, p 10, <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>52</sup> Victorian Government, DFFH, *Annual Report 2020-21*, p 10, <https://www.dffh.vic.gov.au/sites/default/files/documents/202110/DFFH%20annual%20report%202020-21.pdf>.

<sup>53</sup> Victorian Government, Homes Victoria, *Victoria’s Big Housing Build*, November 2020, p 8. [https://www.vic.gov.au/sites/default/files/2020-11/hv\\_more\\_homes\\_for\\_more\\_Victorians\\_0.pdf](https://www.vic.gov.au/sites/default/files/2020-11/hv_more_homes_for_more_Victorians_0.pdf).

## Ground Lease Model

Under the [Ground Lease Model](#), Homes Victoria leases public land to a not-for-profit project consortium that will finance, design, construct, manage and maintain new housing. The community housing provider manages and maintains the sites for 40 years, before handing all land and buildings back to Homes Victoria. The homes are to be returned in the same condition they were in at the start of the contract term.<sup>54</sup> According to Homes Victoria:

By partnering with a consortium, Homes Victoria can access State and Federal funding options not accessible via other housing delivery approaches. Without this approach these types of developments would not be possible at this scale.<sup>55</sup>

For example, 3 sites are being redeveloped on vacant Homes Victoria land in Brighton, Flemington and Prahran. This land previously was the site of a total of 445 outdated social housing dwellings.<sup>56</sup> The not-for-profit consortium is made up of:

- Community Housing Victoria Limited (a Registered Housing Agency) as the equity provider and operator
- National Housing Finance and Investment Corporation as the debt provider
- Tetris Capital as bid lead and financial advisor
- Icon Kajima as the builder
- Citta Property Group as development and property advisor.<sup>57</sup>

### Initiatives to overcome homelessness

The Victorian Government's [Victoria's homelessness and rough sleeping action plan](#) (HRSAP) was released in January 2018. It is a long-term strategy to reduce the incidence and impacts of homelessness in Victoria. The framework operates within the context of 4 key themes guiding broader homelessness reforms in Victoria:

- intervening early to prevent homelessness
- providing stable accommodation as quickly as possible
- support to maintain stable accommodation
- an effective and responsive homelessness service system.<sup>58</sup>

In May 2020, the Victorian Government announced the Building Work Stimulus package, which included \$30 million for housing projects for people who are at risk of or who are experiencing homelessness.<sup>59</sup> The 2021-22 Victorian state budget allocation for Housing Assistance (see 3.2 above) included \$193.7 million investment across 4 years to DFFH for homelessness services.<sup>60</sup> The Housing Assistance funding allocation also included \$11.5 million in 2021-22 allocated for 'critical additional responses for people experiencing homelessness placed in hotels during the coronavirus (COVID-19) pandemic', and

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<sup>54</sup> Victorian Government, 'Frequently asked questions: Ground Lease Model, Preferred Bidder announcement phase', [FAQ - Ground Lease Model - Homes Victoria.pdf \(www.vic.gov.au\)](#).

<sup>55</sup> Victorian Government, [FAQ - Ground Lease Model - Homes Victoria.pdf \(www.vic.gov.au\)](#), p 1.

<sup>56</sup> Victorian Government, [FAQ - Ground Lease Model - Homes Victoria.pdf \(www.vic.gov.au\)](#), p 2.

<sup>57</sup> Victorian Government, [FAQ - Ground Lease Model - Homes Victoria.pdf \(www.vic.gov.au\)](#), p 3.

<sup>58</sup> Victorian Government, *Victoria's homelessness and rough sleeping action plan*, January 2018, p 11, [Victoria's homelessness and rough sleeping action plan \(dhhs.vic.gov.au\)](#).

<sup>59</sup> *Accommodation for the Homeless Phase 2 and Community Sector Owned Rooming House Upgrade*, Guidance pack, p 6, [Guidance Pack AccomHomelessP2 CommSecRoomHouseUpgrade.docx \(live.com\)](#); Funding Boost for CBD Homelessness Housing Project, Media release, 10 October 2021, <https://www.premier.vic.gov.au/funding-boost-cbd-homelessness-housing-project>.

<sup>60</sup> Victorian Government, *2021/22 Budget Paper No. 3, Service Delivery*, p 46, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+Service+Delivery.pdf>.



\$26.2 million across 4 years for tackling rough sleeping.<sup>61</sup>

## The Victorian Aboriginal Housing and Homelessness Framework

In February 2020, the Victorian Government provided an initial \$5.3 million investment in the Victorian Aboriginal Housing and Homelessness Framework [Mana-na Woorn-tyeen maar-takoort: Every Aboriginal Person Has A Home](#) which 'sets out a blueprint to improve Aboriginal housing outcomes in a generation'.<sup>62</sup>

### Public housing movable units

Public housing movable units are mainly for older people and people with a disability or support needs so they can live independently. The units are self-contained and can be set up in the backyard of a friend or relative's home. One or 2 people can live in the units, which have:

- a bedroom
- an ensuite bathroom and toilet
- a living room
- a kitchen.

Two-bedroom units can be used by:

- households that need separate bedrooms
- single people that need another bedroom for medical reasons.

Installation usually takes 3-6 months once Homes Victoria has approved the application and checked the site suitability. Wait time also depends on the type of movable unit and any council requirements for placing the unit. Homes Victoria removes the unit when it is no longer needed, pays for insurance on the movable unit, and does repairs and maintenance.<sup>63</sup>

The property host may need to pay some installation costs if they apply, including:

- upgrading services – such as connecting gas or electricity
- clearing the site – such as removing trees, structures or pavers
- locating the unit more than 10 metres from the house (\$252 a metre)
- variations to any property covenants.<sup>64</sup>

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<sup>61</sup> Victorian Government, *2021/22 Budget Paper No. 3, Service Delivery*, p 46, <https://s3-ap-southeast-2.amazonaws.com/budgetfiles202122.budget.vic.gov.au/2021-22+State+Budget+-+Service+Delivery.pdf>.

<sup>62</sup> Victorian Government, Premier, The Hon Daniel Andrews, 'Tackling Aboriginal Housing Challenges Head on', media release, 26 February 2020, <https://www.premier.vic.gov.au/tackling-aboriginal-housing-challenges-head>.

<sup>63</sup> Housing Victoria, 'Public housing movable units', 9 June 2021, <https://www.housing.vic.gov.au/public-housing-movable-units>; <https://www.housing.vic.gov.au/designs-costs-and-transfers>.

<sup>64</sup> Housing Victoria, *Designs, costs and transfers*, 22 March 2022, <https://www.housing.vic.gov.au/designs-costs-and-transfers>.