



Issues raised by the Productivity Commission: 19/07/10

Access to Public and Community Housing (in Victoria)

Carers Victoria provides the following information in response to queries by the Productivity Commission.

There are several ways in which housing is of particular importance to carers. The lives of family carers are intrinsically linked with the people with a disability and/or mental illness they care for. Family members naturally want the best for their family member and are concerned about the difficulties they face in accessing appropriate housing.

There is a well documented national shortage of affordable housing. The National Housing Supply Council estimated that there was an overall gap (unmet need) of 85,000 dwellings in Australia in 2008. This situation is set to worsen: the Council estimates there will be a cumulative gap by 2028 of 431,000 dwellings (Housing Ministers' Conference 2009). In the private rental market, the shortage of housing stock is particularly damaging for those on the lowest incomes. Not only is the number of dwellings that is affordable for those in the bottom quintile of income decreasing but, of the potentially available affordable stock there is, much of this is taken by people on higher incomes (Wulff et al 2009). Many people with a disability and/or a mental illness, and indeed their carers, find themselves in this lowest quintile of income because they are unemployed or on very low incomes.

Public Housing

Family carers report that it is extremely difficult for their family member with a disability or mental illness to gain access to public housing. They wait many years as do other vulnerable people.

There are 4 waiting list segments which are broadly as follows

Segment 1 – recurring homelessness

Segment 2 – people requiring housing with disability modifications and people in receipt of specified ongoing formal support.

Segment 3 people in insecure housing (homelessness), inappropriate housing or unsafe housing

Segment 4 – General wait turn

The criteria for Segments 2 and 3 of the Public Housing Waiting list are narrow: for eligibility, a person must need urgent home modifications, and/ or receive formal support from a list of government funded programs and be living in “unsuitable” housing. These criteria exclude many people with a disability, particularly intellectual disability, and/ or mental illness.

Notably, they do not include those people who have lived with their family for much of their lives but no longer wish to or are able to because of life transitions or changed circumstances. For example, the criteria do not apply to those who wish to live independently as they transition into adulthood, or if their family can no longer provide informal support because of their own health problems, other demands or family breakdown, all of which are common to caring families. Those people with a disability and/or mental illness who have been housed and supported by their parents for their entire lives are not eligible even though their parent(s) may be now very elderly.

People with a physical disability needing housing that is modified in order for it to be accessible clearly have fewer options in terms of available housing stock because not all dwellings are physically accessible. In addition, many people with disabilities and/or mental illness are not prioritized for public housing and have their application lodged in the General Wait-Turn category.

In June 2009 there were 1292 people on the Disability Services Branch of DHS’s Disability Support Register (DSR). These are people with severe and profound disabilities needing accommodation urgently. They are not registered on the Office of Housing waiting list for Public Housing which uses different definitions of disability and housing need (above).

Some people with a disability who are offered public housing find that it is in a location far from their neighborhood, family and support networks and public transport.

Many people with a disability or mental illness could live successfully in public housing if an adequate package of support was available. However, rarely is there coordination between allocation of public and community housing and allocation of support packages. Carers Victoria has lobbied the Victorian Government to develop a disability and mental health housing and support strategy which includes:

- Population based planning benchmarks for housing and support

- Systems to collect comprehensive data across the lifespan to inform policy and services development in housing and support
- Inter and intradepartment partnerships and collaboration and the development of joint targeted and differentiated action plans for annual housing and support targets for people with a disability or mental illness.
- Sustained investment in synchronized housing and support.

Nation Building Program

In 2009, the Commonwealth Government allocated \$6.4 billion nationally, \$1.6 billion to Victoria, for social housing as part of its Nation Building Plan. For Victoria, this represents the upgrading of many existing public housing dwellings and 4500 new dwellings, and is the largest injection of funds into social housing for many years. Although this spending has been universally welcomed by housing and social welfare advocates, it is important to keep it in the broader perspective of long term sustainability. The national figure of 20,000 new dwellings represents the number of new public housing dwellings built every year during the 1980s.

It has been made clear by the Commonwealth to the states that this injection of funding is a one-off. This means that, according to the Housing Ministers Conference report (2009), using National Housing Supply data, “while recent initiatives will increase the supply of social housing up to 2013-14, stock will reduce over time to 2030 without continuing strong investment. The possible contraction in social housing supply is in the context of continuing demand for social housing from household growth amongst targeted client groups.”

The Nation Building Funding has the potential to benefit many people with a disability and/ or mental illness if new housing is matched with resources to provide support. However, disability, mental health and carer advocates have been disappointed by the state government’s apparent decision not to target these groups to any great extent. To the knowledge of Carers Victoria, only 45 new dwellings have so far been specifically earmarked to people with a disability who are on the DSR through the Nation Building Program. (Innovative Housing Options Program)

Community Housing

A proportion of the Nation Building funding will go to community housing, particularly that run by Housing Associations. Housing Associations are Non-Government Organisations which provide and manage housing. Many were founded to provide housing to particular groups, including people with a disability and/or mental illness, and have expertise in doing so. At both Commonwealth and state level, Housing Associations are seen as the major growth vehicle for social housing. Indeed, Housing Ministers agreed in May 2009 that up to 75% of housing stock constructed under Stage Two of the \$5,238 billion Nation Building

and Jobs Plan Social Housing Initiative be transferred to community housing providers by 30 July 2014. If the 75% target is achieved this will increase dwelling stock held by the community housing sector by a further 12,000 units to just over 90,000 or 20.5% of social and affordable housing stock (Housing Ministers Conference 2009).

However:

Victorian Housing Associations are required to grow their stock to sustain numbers of social housing and influence the supply of affordable housing.

- This may have the unintended consequence of discouraging the supply of housing to people on the very lowest incomes such as those on statutory incomes, particularly those who require single accommodation. The primary way for Housing Associations to grow their stock is through collecting rents and, on the whole, people with a disability and/or mental health problem can usually only afford very low rents. Along with the possibility that these groups will also require more tenancy management support, this provides an incentive for Housing Associations to provide housing to those who are on “low incomes” rather than those “most in need”, because those on “low incomes”, (which includes those in lower paid professional jobs), can pay higher rents. Housing Associations are also under financial pressure to co-house residents, even if this is not the residents’ preference, because this means they will collect more rent.
- This market failure occurs in the absence of policies that require Housing Associations to house people with a disability or mental illness. There are no targets set by government for housing these groups and no accountability measures. (Unlike in Western Australia)
- Common waiting lists are being developed so that people can apply for public and community housing at the same time. Housing associations are already required by a Housing Registrar to take ‘up to’ 50% of new residents from the public housing waiting list. They are, however, not required to take these residents from the priority list, those most in need, or those with a disability and/or a mental illness.
- A recent report by the Auditor General in Victoria (attached) notes that while housing associations accommodated a proportion of people from the general ‘wait turn’ segment of the Public Housing Waiting list, none were from the segments of the waiting list that indicates high needs or special disadvantage.

Carers Victoria considers:

- the growth of social housing has the potential to increase access to social housing for people with a disability and/or a mental illness.

- there is a need for sufficient, sustained and reliable investment in housing for people with a disability and/or a mental illness
- in most cases, accessing and maintaining social housing needs to be accompanied by access to formal support services.
- there is a need to address the unintended consequences of market and policy settings that disadvantage people with a disability and/or a mental illness who need to access housing.

The **Western Australian government** recently contracted research from HURIWA into the “Identification and evaluation of options for specialist disability for clients with a range of needs and disabilities” (Greive, S. et al, 2010). This modelled the current and projected need for housing for people with a disability in that state, but also provided analysis of possible avenues for supply. It examined the following options:

- Partnering of specialist housing providers with existing growth providers
- Creating a growth provider committed to disability service agencies and populations
- Hybrid arrangements

One of the report’s critical findings is that “none of these approaches, even in combination, could supply more than a small portion of the required demand”. While the report is certainly specific to the context in WA, it raises issues that are likely to have implications for policy and regulatory settings in other states and nationally.

The recent report of the **Henry Taxation Review** (Australian government 2010b) may provide a way of addressing the impacts of market failure for people with a disability and/or mental illness. Recommendation 105 states:

“A high-need housing payment should be paid to social housing providers for their tenants who have high or special housing needs or who may face discrimination in the private market. This payment should be funded by the Australian government. The Commonwealth and the States should retain the option of providing capital for social housing construction.”

Discussion in the body of the report explicitly refers to the needs of people who have a disability or are homeless. Carers Victoria has a keen interest in this recommendation

Other housing options

- Your attention is drawn to the HURIWA report which is attached. It discusses options for the engagement of private developers in that state.
- Family supply of housing is an option which is underdeveloped. It requires the appointment of skilled housing/ transition planners to engage with people with a disability, their parents and other family members to assist them to plan, develop, implement and support planned transitions into family provided housing and support outside the family home. It requires:
 - Guaranteed commitment of support packages
 - Exploration of the potential to combine private and public resources to develop shared supported accommodation options, mixed equity housing options and private housing arrangements with family managed funding and support. These may include use of the family home.
 - Explore the capacity of local services providers to support flexible accommodation options.
 - Engage participant families in broader processes to plan for the future including wills, trusts and estate planning, the development of emergency care plans and the strengthening of ongoing networks of psychosocial support for the person with a disability.
 - Ensure the development of local, accessible, affordable and quality legal and financial advice that is 'disability sensitive'.