

Public housing, community responsibility

Submission to the Standing Advisory Committee for the
Walker Street Northcote Renewal project August 2017

Alma Ryrie-Jones

Churchwarden, All Saints Anglican Church
14-16 High Street Northcote (Church)
12a High Street Northcote (Community Store)
12 High Street Northcote (Vicarage)

Email address: ryrie@ihug.com.au

To the Standing Advisory Committee

I make this submission with the support of the Parish Council and parishioners of All Saints Anglican Church, Northcote. The church is the closest eastern neighbour to the Walker Street Estate.

We view the renewal project not from the perspective of a resident or neighbour concerned about issues such as height, overshadowing, impact on the streetscape, traffic and parking and so on. These are legitimate interests but we do not share them. We have no concern about any potential impact on us or on the value of our property. To us, providing affordable housing for those too poor to access private rental, too poor ever to hope to buy their own property, too educationally disadvantaged or substance-dependent or old to access the job market, is matter of social justice. Our views are not party-political: successive governments have struggled to respond to the growing housing crisis and comments made here that refer to government action apply to the policies and actions of previous governments as well as the Andrews government.

We understand that the Walker Street renewal plan aims to provide more, mostly smaller, dwellings for public housing tenants, but will include a number of dwellings to be available only to private tenants or owners. This appears to us to be a straightforward loss. This housing estate, in which successive governments have invested, is a community-owned asset that belongs to the people of Victoria. It is located on prime residential land beside the Merri, in what is now an expensive and highly sought-after suburb, with excellent public transport and easy access to health and community services. Allowing part of such an asset to pass into private hands is also an issue of social justice. The Parish Council has in mind to make this loss of public housing in favour of private profit the focus of a social justice forum, in collaboration with St Philip's Collingwood.

We are in favour of serious maintenance and improvement of public housing, an end to decades of neglect of the estates and, where necessary and feasible, replacement by very much better buildings in terms of quality, energy-efficiency, amenity and accessibility. Of course this is a good thing, but we believe that every public housing renewal project should result in (a) an increase in the number of people who are in public housing at that location, and (b) *all* of the new housing being available first to existing public housing tenants and then to people drawn from the many tens of thousands of Victorians who are waiting for public housing accommodation.

The following is an outline of our main concerns with respect to the Walker Street renewal project.

The rights and interests of existing tenants

We are concerned that people who live on the estate are treated properly. We have noted the promises that have been made to them: full information, offers of appropriate relocation, assistance with private rental if other options are not available, first right of return to the rebuilt estate, and so on. These rights seem obvious, but there is evidence that other similar projects have not resulted in the promised benefits to all tenants and have not delivered the promised outcomes in terms of better public housing and more of it. We

consider that not only should the ordinary rights of consultation and information apply, but extra protections must be extended to people who may not all be well placed to keep themselves fully informed, process information, know their rights or make good decisions in their own interests.

Lack of transparency about future change – from ‘public’ to ‘social’ and ‘community’

Government departments need to be completely transparent not only about the next year, or the next two years, but about implications for future landlord-tenant relations and the long-term management of the renewed estates. Public housing is valued by tenants because they know that to have the government as their landlord means that they have rights under the Human Rights Charter and many other rights besides. There is a slippery relationship between this certainty and security and the various forms of housing arrangements referred to as ‘social housing’ or ‘social and community housing’, which are not governed by the same rights or based on the same assurances. Our understanding is that if a private provider wins the tender, the public part of the development would remain as public housing, but if a community housing organisation won it, the development would be a community housing project. This information is nowhere available in any material issued for consultation, and the implications do not appear to have been explained.

There should be complete openness about what is on offer now and how things will be managed in the future and both the materials issued and the consultation meetings are completely uninformative on these issues. It is not good enough to suggest that these things are not currently known or cannot be known. It is not good enough to plan only for a year or two, leaving tenants without the security they need or assurance that things will not suddenly change, as has happened in some instances where housing associations or community housing providers or private operators have become involved – the expiry of rights, unexpected increases in rents, evictions without appeal, the sudden withdrawal of government protection. The change cannot be treated as merely a form of words if rights and interests are affected.

Assets and responsibility being passed to the private sector

There is growing concern in the parish and in the wider community about the policy failure that has accompanied handover of assets and control to the private sector. Past projects have failed to make progress towards providing more housing for people who need it, or towards reducing the number of people in a hopeless situation. Very large amounts of funding under Commonwealth agreements have been spent, but much of it seems to have disappeared into the hands of private developers for the construction of dwellings for private rental or private sale – in short, as a community we have paid for the conversion of our own public assets to private assets. And the social problem this funding was supposed to address has become more serious over time, not less. The private sector does not have a responsibility to the poor, the disabled, the helpless or disadvantaged: its responsibility is to its owners and shareholders.

We understand that the issues are complex and difficult. We recognise that we have a larger population and more of that population is dependent on welfare. We know that the existing public housing stock was not built for today's demographic profile, but for what was known as 'the working poor' – people who would either be able to buy their own homes eventually or move out to some form of independent accommodation. Those days are gone, and governments are faced with providing for the long-term housing of people who may never participate in the workforce successfully or be able to afford to live independently.

But this is a crisis that cannot be passed to private enterprise. The human cost of insecurity and homelessness for individuals, families and the wider community, is impossible to calculate. A lack of secure housing creates a barrier to the full social and economic participation of Australians (Brotherhood of St Laurence, 2013) and there is universal agreement that housing is one of the important social determinants of health and mental wellbeing. Priced out of the private rental market and unable to access public housing, thousands of Victorians survive in the streets or are living in cars. *The Age* recently reported that the number of Victorians sleeping rough now exceeds the population of Footscray (Dow, 2017). Many thousands have somewhere to sleep but are technically homeless, living in insecure circumstances, depending on the goodwill of friends or relatives, in desperate need of access to secure, affordable accommodation. Tens of thousands have spent years waiting for access to a public housing property. Others are no longer even on the waiting list, having given up hope, and have found themselves for the first time in their working lives, evicted because they can no longer afford escalating private rental payments (May, 2014).

In response to this crisis, we have seen projects that resulted in benefits to developers but not to tenants. Handing over a section of Carlton public housing land to a developer for a project intended to integrate social housing and private housing, resulted in two gated private communities separated from public tenants by a 2.5 metre high wall. The project outcome was the loss of public land for no gain whatever in public tenant numbers on the estate, following a development that cost \$200 million. In Kew, displacement of intellectually disabled residents resulted in new up-market housing becoming available to the private housing market; the net result was a massive *loss* to the government of about \$17 million (Davidson, 2010).

This affects all of us. The long-term social and spiritual cost of tolerating, encouraging and institutionalising the exclusion of disadvantaged people makes for a community none of us should want to live in (Wilkinson & Pickett, 2014). It is a disgrace that a wealthy country like Australia is not finding ways to make secure housing affordable and available to all of its people; this is a national and state government matter, and for us it is essential that the government retains responsibility for public housing, rather than stepping back and relinquishing control, in favour of third-party or arm's length arrangements with the private sector.

Failure to represent the whole community's interest

We understand that the larger economic context is one in which housing, once a public and private good – a place to live and raise a family – is now viewed as a source of private wealth creation for those who can afford it, either as a form of investment to make as much money as possible or a means of safeguarding money for the future. Housing has become enmeshed in competing interests in property speculation, maintaining high rents, keeping the poor out of the neighbourhood, fuelled by tax concessions and incentives for those who are already comfortably off. Some have referred to this as ‘a shameless system of subsidies directed at those on higher incomes’ (Atkinson & Jacobs, 2008). Consequently it is now in the interests of many to keep the price of housing high, a factor in worsening inequality between the wealthy and the poor. After many years of national prosperity that should have brought benefits to all, the Brotherhood of St Laurence has pointed out that ‘the trends are getting worse’ (2013).

The problem is not of the government’s making, but only the government can act in the whole community’s interest. The whole community benefits when those who cannot find safe and decent housing, and have no hope of doing so in a rapacious private rental market, have access to good quality housing at a rental they can afford.

The government has said it is looking for solutions that will result in a better match of housing stock to people’s needs and better delivery of services to those who need them. They believe that this will be achieved through partnership with private enterprise, which is supposed to deliver better results. But we think any solution that comes at the expense of existing public housing, which the people of Victoria already own, is unacceptable. Any solution that involves converting public housing assets to privately-owned housing amounts to laying down the responsibility of the community to house more people, not for anyone’s profit, but because they are people, they need to be housed, and the social consequences of homelessness and insecure housing are a threat to the wellbeing of the whole community.

Anglicare’s work in monitoring housing affordability shows that across Australia there is virtually no affordable housing available for people on low incomes (Ireland 2014). The government’s current Rental Report found that less than 2 per cent of all rentals in the City of Darebin were affordable for those on a Centrelink payment (David & Gardiner, 2007). The Productivity Commission has reported that the proportion of low income households suffering rental stress increased nationally from about 35 per cent in 2007 to more than 40 per cent in 2011–12, and the state with the highest proportion of low income households in rental stress is Victoria (Productivity Commission, 2014: G13). Of all the states and territories Victoria provides the lowest funding per capita for social housing, including public housing (Cook, 2014). The Victorian Council of Social Service reports that one in 20 Victorian households pays over 50 per cent of their income for housing (VCOSS 2014). And more than 30,000 vulnerable households are on the Victorian public housing waiting list.

This is not an argument for less public housing or solutions involving a public/private mix. It is an argument for much more housing for many more public housing tenants. It is not acceptable to set about creating more opportunities for private tenants on land that was

previously reserved for the benefit of our poorest and most disadvantaged citizens. It is unsurprising that private developers are keen to be involved in projects like this at a time when there are fortunes to be made from such investment. But this is not development for the good of the whole community; it is development at the cost of the community.

The willingness of governments to invest in publicly funded infrastructure and to manage and maintain those assets in the whole community interest is not an idea that belongs to the past: it is more important than ever.

Untruthful claims for ‘social mix’

No rationale is offered for planning a mix of public and private housing, other than the spurious claim that mixing the two results in a ‘vibrant’ community. The consultation materials claim that the project ‘will introduce private housing at each estate to deliver vibrant, integrated mixed tenure communities’ (KJA, 2017). Somehow, it is assumed that people in public housing cannot generate a worthwhile community culture of their own. First, this is not true. Despite media depictions and negative stereotyping of public housing tenants, these can be and often are good communities. Many vulnerable people find a secure home and supportive neighbours in public housing – people with physical disabilities or mental illness, recently arrived refugees or asylum seekers, Indigenous Australians, the unemployed, sole parents, people escaping domestic violence, aged pensioners. Of course there are sometimes problems on the estates: there are sometimes problems in nice neighbourhoods too. But an even stronger link can be made between social problems and a lack of secure housing, including a link to family violence (Hall 2015). Second, the argument that poor people will become better if they are mixed with better people – working people, socially aspirational people, a better class of people – has been substantially challenged or discredited by research on similar implementations attempted in Australia (for example, Arthurson, 2012, Shaw, 2013).

This form of social engineering has failed in many contexts, partly because it is based on fear of the poor and partly because the potential for genuine community among those in similar circumstances has been underestimated. Breaking up and dispersing those with problems associated with poverty and replacing them by better people is a way of denying the structural causes of poverty and inequality. Instead of recognising that people find themselves homeless or without secure housing for many reasons other than their own bad behaviour, the assumption is that the poor always behave badly, so if they live together they will make each other worse. If they live near others who are not so bad, the community will be ‘vibrant’. This is an offensive rationale for deciding who should have access to new, high quality housing built with public money, and the claim that adding private housing to the estate will ‘create an integrated, better connected neighbourhood’ seems to have little or no basis.

The key outcome

For us, the test of the planned renewal should be whether it results not in ten per cent more dwellings being available for public housing tenants, but whether the new housing will accommodate ten per cent more *people* as public housing tenants. At the moment there are 85 units on the estate with a total of 295 bedrooms. This capacity should be exceeded, not by counting the number of dwellings, but by counting the number of tenants to be accommodated. The material issued and the statements made at meetings have been equivocal, evasive or dishonest on this point, claiming that the number of people to be accommodated cannot be known. It should be known, because it should be defined as the key outcome. And that outcome could be more ambitious. It should be 20 per cent more or 30 per cent more, or as many as can be accommodated in a well planned and well built development. By contrast, we regard the building of private apartments on this land, for people who are able to pay for accommodation elsewhere, as an unjustified use of publicly-owned land – an asset that should be exploited for the benefit of those in the community who need it, rather than being made available to those who would like to have an inner city apartment and can afford to pay for it.

Thank you for the opportunity to provide a submission. I have indicated that I would like to represent the views of the church community of All Saints, Northcote, at the planned public hearing.

Alma Ryrie-Jones
0409 339 046
ryrie@ihug.com.au

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