



3K housing solution

Victorian State Election 2018

The **Community Housing Industry Association Victoria (CHIA Vic)** is urgently calling on all political parties to commit to ending our housing crisis and to ensuring all Victorians have a safe, affordable and appropriate place to call home.

CHIA Vic has joined six other key community service and housing peaks as a signatory to the 2018 election platform: **A shared vision for housing in Victoria**. One of the platform's key goals is the creation of additional affordable housing, which requires a government commitment to:

Build an additional 3,000 social housing properties every year for the next 10 years.

This target is the minimum required to meet the housing needs of Victorians eligible for priority housing. We know this is achievable. The last time Victoria implemented a significant social housing supply program, was in 2009-11. In that period, community housing organisations built 2,500 affordable homes – exceeding the targets.

We can do this. We must do this.



The delivery vehicle

Community Housing is a growth industry. Victoria's 10 registered Housing Associations and 29 Housing Providers collectively own and manage more than 19,600 properties with a combined asset value of more than \$3 billion.



As experts in social and affordable housing, Victoria's not-for-profit community housing organisations are well-placed to deliver and manage the required volume of new homes, leveraging:

- our experience at partnering with Commonwealth, state and local government
- our charitable status providing access to additional finance through grants, low cost loans and taxation concessions to supplement our own borrowings
- our commitment, as long-term tenancy managers, to building quality stock that is the right configuration, disability accessible and energy efficient
- our regulatory system that ensures we are transparent and accountable
- our not-for-profit model, which allows for preservation of public investment and assets and the use of surpluses to increase housing supply.

CHIA Vic has commissioned financial modelling of different options that show how 3,000 new social housing dwellings per year could be delivered.

Our sector is able to draw on various inputs such as land, grants, exemptions and subsidies that minimise risk to government and deliver high quality, affordable housing at a significantly lower cost to the taxpayer than would be possible via private developers or government agencies.

Our sector is made up of a diverse range of organisations, including those that specialise in housing specific groups such as women, people experiencing homelessness, older people and people with disabilities. We are committed to building communities that are inclusive and provide pathways to life opportunities.

Action required: Utilise the benefits of partnering with the community housing sector to deliver more social and affordable housing to meet both future demand and current unmet need.

An additional three key commitments by the Victorian Government will make a significant difference to the lives of Victorians who are most disadvantaged in the current housing market.

1

Deliver the Aboriginal Housing and Homelessness Framework

Build on the foundation provided by self-determination to deliver the Aboriginal Housing and Homelessness Framework that is currently under development, and:

- Give Aboriginal households in public housing the choice of having their tenancy managed by an Aboriginal landlord, and support and fund the associated increase in management transfers to Aboriginal Housing Victoria.

- Develop and deliver culturally-sensitive support programs for Aboriginal social housing households that are consistent with whole of government efforts to close the gaps and achieve equity of outcomes.

► **Action required:** Fund and deliver the Aboriginal Housing and Homelessness Framework.

2

Expand public housing redevelopments

Only nine out of a possible 40 ageing public housing buildings are currently slated for redevelopment. To deliver modern homes, and make the best use of public land, the redevelopment program should be expanded in partnership with the community housing sector.

This would utilise the community housing industry's ability to leverage funding and enhance communities through our community building and place management expertise.

It would also ensure that well-located public land assets remain in the hands of the community whilst delivering increased social housing and creating cohesive and vibrant mixed tenure projects.

Community housing can:

- develop mixed tenure communities that negate the stigma often attached to these communities and tackle concentrations of disadvantage
- enhance tenants' sense of security through place management
- provide a platform for local community and neighbourhood building initiatives
- assist tenants to remain connected to their neighbourhood and support services
- foster positive relationships with neighbours.

► **Action required:** Prioritise community housing partners in an expansion of the public housing redevelopment program.

3

Mandate affordable housing requirements within the planning system

According to Infrastructure Victoria, 30,000 units are built in Victoria each year. Compelling developers to include social and affordable housing in their projects would be a simple and cost effective way to increase the supply of homes in well located areas close to transport, education and jobs.

Community housing organisations are experienced in partnering with developers and local governments on housing projects to deliver social housing in private developments. Some larger community housing organisations are developers in their own right.

The implementation of fast track planning approvals, value capture and density bonuses can contribute to the delivery of a 10 per cent target of social and affordable housing across private developments.

► **Action required:** Mandate affordable housing requirements for new developments that meet minimum criteria.



The impact of the 3K Housing Solution

Housing vulnerable Victorians is not only the right thing to do; it is a smart public investment.

It will:

- begin clearing the backlog of over 60,000 households who have applied for social housing, including 22,000 with urgent housing needs – women and families escaping family violence, homeless and elderly Victorians – the most vulnerable in our failing housing market.
- create thousands of construction jobs
- reduce costs to our health service, justice system and emergency services that are a side effect of the housing crisis.

The timing

The Victorian Government is currently forecasting an average surplus of \$2.5 billion over the next four years. Now is the time to act.

Will you commit to the 3K Housing Solution?

CHIA Vic is a signatory to VCOSS's State Election Platform 2018, which has been a collaborative effort by the seven key social service peaks: the Victorian Council of Social Service, Council to Homeless Persons, Justice Connect, the Victorian Public Tenants Association, Domestic Violence Victoria and Tenants Victoria.

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