

Public Accounts and Estimates Committee
Inquiry into the 2023–24 Budget Estimates
7 June 2023

PORTFOLIO: HOUSING

Witnesses:

- The Hon. Colin Brooks MP
- Ms. Camille Kingston
- Ms. Sherri Bruinhout
- Ms. Peta McCammon
- Mr. Danny O’Kelly

QUESTIONS ON NOTICE

QUESTION 1

a) Provide information on YTD of public/social housing actuals for 2022/23.

Mr McGOWAN: Thank you, Minister. I certainly will. In respect to that, Secretary, just a question. In terms of the total dwellings in the portfolio for the public, in 2018 I believe there were 86,813 and in 2022 there were 86,887. Do you have a recent figure for 2023?

Ms McCAMMON: Sorry, I missed the start.

Mr McGOWAN: The number of public dwellings in total.

Ms McCAMMON: Just let me find the page.

Mr McGOWAN: I am happy to take that on notice if you would like to have a look at that, But perhaps while you are looking at that, I will just ask another question if that is okay.

.....

Mr BROOKS: Can I just ask a question – if I can, through you, Chair – to Mr McGowan? When you asked the question of the Secretary before about the amount of public housing were you referring to the overall figure of social housing? Because I think the figure you referred to was in the budget papers in relation to the overall amount of social housing. Is that right? Page 192 of budget paper 3.

Mr McGOWAN: Correct. What figure have you got there, Minister?

Mr BROOKS: There is a target for the 2023–24 year. Is that what you were referring to?

Mr McGOWAN: Yes. I am looking for the actual, though, as opposed to the target, of the year to date for social housing.

Hearing Transcript, p. 3-4

Name of Committee members asking question: Mr Nicholas McGowan

RESPONSE

Answer:

As at March 2023, there were 88,036 social houses (including public and community houses). Since the Big Housing Build was announced in 2020, this represents an increase of more than 2,900 social houses.

As per page 192 of budget paper 3, the expected outcome for financial year 2022/23 is expected to be 89,196 social houses. The outcome for the following financial year is expected to be higher again. The DFFH 2022-23 Annual

Report will provide information on the total social houses as at 30 June 2023 and this will include acquisition of new homes, disposals and demolition works across various sites to prepare land for the construction of new homes for the period between 1 April 2023 and 30 June 2023.

QUESTION 2

2. When will the Department release the Additional Service Delivery Data for Housing?

Mr McGOWAN: Minister, the Housing Assistance: Additional Service Delivery Data, which is usually released in October each year and accounts for housing stock, has not been released for 2021–22. I am referring to that data there. Do you know why that is taking so long?

Ms KINGSTON: I can take that one.

Mr BROOKS: I might refer that to the interim CEO.

Ms KINGSTON: I can answer that question. It was fundamentally an oversight within the department that we have not published that data. There is no other issue behind it and we actually picked that up only recently, so it will be published, you know, fairly shortly. There was no other reason.

Mr McGOWAN: Okay. Is it possible to obtain that in the next – what are we talking, is it just a technical issue or is it something that can be –

Ms KINGSTON: It was literally an oversight within the department. We had not realised that we had not kind of put the wheels in motion to have the data published, as we ordinarily would.

Mr McGOWAN: Okay. Thank you. Is there a chance we can receive that today?

Ms KINGSTON: I am not quite sure about today, but I think certainly –

Mr McGOWAN: Tomorrow?

Ms KINGSTON: Yes, fairly quickly.

Hearing Transcript, p. 4

Name of Committee member asking question: Mr McGowan

RESPONSE

Answer:

The Department of Families, Fairness and Housing will release the Additional Service Delivery Data for Housing by 30 June 2023.

QUESTION 3

3. Provide current stats for the KPI of getting new tenants into homes within 28 days for state and by region

Mr O'BRIEN: Okay. So when we have been saying all this time 12,000 new homes, they will be new – newly built – but in terms of actual addition to the social housing stock to house people, it will be actually 8200.

Mr BROOKS: We have been very up-front all the way through that it is a 10 per cent uplift in social housing.

Mr O'BRIEN: Well, that is good; I am glad you have been up-front. I do not recall your predecessor saying exactly that figure at any of these hearings, Minister, so that is very interesting. Can I just ask: one of the issues is the waiting list, clearly. One of the frustrations that we are getting a lot I am sure as local members is people coming to us and saying, 'This house is public housing. It's been vacant for 12 months,' or 'It's been vacant for six months,' or whatever. Now, we understand there is going to be a changeover. When someone dies or when someone leaves there is going to be a changeover, or when there is maintenance and everything. Perhaps this is for the department, but is

there a standard target for vacancy time – that a home should not be vacant for more than three weeks, or something?

Mr BROOKS: I am happy to invite the department to comment, but just before they do, there are sometimes reasons for a property to be vacant, and it might not be immediately apparent to neighbours, for example. It could be that a tenant has left the property and has left belongings behind, and under the Residential Tenancies Act there is a process –

Mr O'BRIEN: And I understand all the reasons that can be –

Mr BROOKS: There might be maintenance requests that need to be carried out; there might be a change in tenancy and some works that need to be occurring at that property in the interim, so there might be –

Mr O'BRIEN: Which regularly happens, but the question I am getting to is: is there a metric that you record as to how long public housing is vacant for between tenants?

Mr BROOKS: I will cede that to the department.

Mr O'KELLY: The KPI that we work to is 28 days in terms of a public housing property, but that is assuming that the property is ready to re-let. That depends on the state of the property when we take the property back. More often than not we will need to do inspections and will need to do some work to get the property to a state where we are ready to re-let, but the KPI that we work to is 28 days.

Mr O'BRIEN: Even that – sorry, Mr O'Kelly, if the property is ready to re-let, why does it take 28 days?

Mr O'KELLY: It is the time to work through who the next eligible applicant is, the time to work through approaching them, making the offer – there are a series of steps that we have to go through.

Mr O'BRIEN: And not to get into the weeds on this, but are we talking 28 days from the date someone vacates to the date a new person is in, or offered the place?

Mr O'KELLY: We work towards 28 days from the time the property is ready to re-let.

Mr O'BRIEN: Until it is –

Mr O'KELLY: Let.

Mr O'BRIEN: Literally someone signs a contract –

Mr O'KELLY: Yes.

Mr O'BRIEN: or a lease. They do not sign a contract; I get that. Okay, so 28 days. In terms of that KPI, what is the department at at the moment?

Mr O'KELLY: In terms of –

Mr O'BRIEN: Are we hitting the 28 days?

Mr O'KELLY: We are not far above it now, and historically we have been able to hit that KPI. But like a lot of other things, we were impacted a fair bit by COVID in terms of our ability to get trades in and out of sites and turn properties around quickly. I cannot remember the exact figure we are on this week.

Mr O'BRIEN: If you have got an exact figure, Mr O'Kelly, could you provide that on notice?

Mr O'KELLY: A number of our areas are actually hitting that KPI, but –

Mr O'BRIEN: Would you be able to provide that to us on notice by region as well as total?

Mr O'KELLY: Yes.

Hearing Transcript, p. 7–8

Name of Committee member asking question: Mr Danny O'Brien

RESPONSE

Answer:

The average 28 Day Vacancy Turnaround at both regional and Statewide levels this financial year to date is as follows:

- **Victoria wide** – 36.3 days
- **North Division**– 38.9 days
- **South Division**– 22 days
- **East Division**– 25.9 days
- **West Division** – 50.7 days

This KPI has been impacted by COVID and the ability to secure trades and supplies for maintenance works. A number of steps are required to be undertaken to tenant a property, including ensuring all works are undertaken to meet requirements under the *Residential Tenancies Act 1997* including safety checks, offering a property according to Victorian Housing Register priority, providing prospective tenants the opportunity to view the property, and once an offer is accepted, arranging of the signing of the lease in coordination with a support worker as necessary.

North and West Divisions have a larger number of high-rise public housing properties where we experience a higher number of offers needing to be made before an offer is accepted.

The department is working to meet this KPI in impacted Areas.

QUESTION 4

4. How many on the priority waiting list have received homes last year?

Mr McGOWAN: I appreciate that. Thank you. Secretary, again, in terms of future projections, have you provided the minister with any advice in respect of obviously the interest rate increases recently but also the minister has detailed for us how obviously the list keeps growing, so surely you are already doing that work and just looking forward beyond the big build, I would guess, to project the needs in the future for the minister?

Ms McCAMMON: So is your question whether we have projected –

Mr McGOWAN: Have provided advice.

Ms McCAMMON: In terms of the interest rate impact?

Mr McGOWAN: No, in terms of future projections given the current environment.

Ms McCAMMON: No, not that I am aware of in my recent time as the Secretary.

Mr McGOWAN: Okay. And you are not doing any modelling work? Minister, I am happy for you to take the question, because this is an obvious thing, right? You are sitting there as minister and you are getting thousands and thousands of more applications. At some point you look at the money. You have only got so much money and you have got a huge demand backing up.

Mr BROOKS: I think the issue at the moment, Mr McGowan, is that we are investing \$5.3 billion – it is the biggest investment in the state's history in social and affordable housing – and we are still seeing more people coming onto the wait list because of the pressures in the broader economy. At this point in time our priority is getting as much of that social housing on the ground as quickly as possible for people who need it and making the case to our friends in Canberra for more funding support as well so we can try and do more. One of the advantages of having a pipeline of projects through effectively the middle of the Big Housing Build is that we have got the ability to scale that up if we get that funding from Canberra.

Mr McGOWAN: Thank you, Minister. A further question, Minister. The Victorian government indicated in budget paper 3, page 216, that in 2022–23 applicants on the waiting list should obtain housing within 10.5 months. The data shows that for the most vulnerable – that is, the 67,120 families on the waiting list; that is the applications on the Victorian housing register, Homes Victoria – the wait time has now increased to 20.2 months for a home. What strategies are you now adopting to decrease the waiting times to an acceptable level?

Mr BROOKS: Yes. Again, I think you are talking about page 192. Is it 192?

Mr McGOWAN: 192, correct; budget paper 3.

Mr BROOKS: Sorry, 191. There is no doubt that that measure, in terms of the wait time for – if I have heard your question correctly – those people who are on the priority wait list who have experienced family violence is moving in the wrong direction, absolutely. It is, as you say, over 20 months now. Just to be clear, that is the measurement that measures the wait time of people as they are allocated, so it is not measuring the average wait time of people who are currently on the list. That is not an excuse or a deflection from the issue; it is just I suppose an explanation for the committee that it measures one thing that is probably not immediately apparent. Certainly, it was not to me when I looked at the measure a while ago. But we need to do much better there.

Part of that answer – a large part in effect – is delivering more housing. Whether we are talking about youth housing, providing more accommodation for young people at risk of homelessness or exits out

of the family violence system, so people who are exiting refuges or crisis accommodation, all of these areas, whether it is about providing options for people who have been impacted by emergencies like floods, the answer to all of this is having more social housing stock to provide those exits for people, to provide safe and secure housing. So the answer to your question in that measure is that, yes, it is heading in the wrong direction, because we are getting more people coming onto the list. Last year we allocated more homes to people in that category than we had done for at least the last couple of years. I think we are on track to do even better this year, but the answer to the question is more social housing so we can exit people into those properties.

Mr McGOWAN: Can you tell me how many received the homes last year? I will take that on notice.

Hearing Transcript, p. 11–12

Name of Committee member asking question: Mr Nicholas McGowan

RESPONSE

Answer:

In the 2021-22 financial year, 5,553 households were allocated social housing from the Victorian Housing Register including 5,014 from the priority waiting list. This represents an increase of 18 per cent on the previous year.

Allocations by application type – total allocations

	Community housing allocations	Public housing allocations	All social housing allocations
Priority access allocations	1,161	3,853	5,014
Register of interest allocations	349	190	539
Total allocations	1,510	4,043	5,553