

HOUSING ACT

Growing and Renewing Public Housing Program

Some context.....Public Housing Stock

	2011	2021	Change
Public Housing Dwellings	11,063	10,859	-1.8%
Population	372,070	453,324	21.8%
Dwellings per 1,000 Head of Population	30	24	-19.4%

Source: Report on Government Services; Productivity Commission (2014 and 2022); National, State and Territory Population; ABS Cat. 3101 (June 2022).

Public Housing Renewal Program

Budget Announcements

2015-16 Budget: \$133 million investment in public housing renewal in central locations over four years.

2016-17 Budget: \$156 million in 2016-17 and \$353 million over the forward years.

2017-18 Budget: \$57.1 million.

Total Announced: \$699 million

Actual Capital Appropriations

2015-16 Budget: \$13.975 million

2016-17 Budget: \$7.934 million

2017-18 Budget: \$5.000 million

2018-19 Budget: \$9.310 million

2019-20 Budget: \$44.652 million

Total Appropriated: \$80.871 million

Financial Mechanics of the Program

Financial Year	Capital Distribution to Government (\$'000)	Assets Transferred to HACT (\$'000)	Net Assets Transferred to HACT (\$'000)	Sites Transferred to LDA/SLA	Dwellings Transferred to Housing ACT
2014-15	-8,858	0	- 8,858	Currong Apartments	-
2015-16	-5,335	36,137	30,802	Owen Flats	98
2016-17	-54,137	127,858	73,721	Allawah Court and various sites in the Red Hill	412
2017-18	-35,010	95,122	60,112	Bega Court site in Reid and Karuah Garden site in Dickson	270
2018-19	-118,990	116,676	-2,314	All of the remaining sites in Turner, Braddon, Lyneham, Griffiths, Lyons and Narrabundah	314
2019-20	0	81,274	81,274	-	
Total	-222,330	457,067	234,737		1,094

Source: Audited Financial Statements; Respective Years.

Performance Measures

	2017	2021	Change
Public Housing Dwellings	11,077	10,859	-2.0%
Households in Public Housing	10,661	10,421	-2.3%
Applicants on Waiting List	1,770	2,880	62.7%
Average Turnaround Time for Vacant Stock	25.9	49.9	92.7%
Proportion of Overcrowded Households	4.5%	4.8%	0.3%
ATSI Households in Overcrowded Conditions	6.8%	7.5%	0.7%

Source: Report on Government Services; Productivity Commission (2022).

The Calculus of Evictions

Excerpt from Ministers' letter:

Until February 2022, the Program was a voluntary “opt in” model, which saw the program success sit at approximately 20%. To ensure all efforts were undertaken prior to changing this model, different phases or approaches to the Program were attempted in aim of raising the success rate. Whilst these efforts saw the Program success increase to approximately 40%, the Program remained unviable in the current format. Recognising the significance of this change, we engaged with a range of community organisations to ensure this occurred in an appropriate manner and protected the rights of current tenants. We continue to work with this group to refine the Program and to ensure this, we continue to implement it in a way which responds to the needs of affected tenants.

Summary

Renewal Program Mark 1:

- Opaque financial arrangements.
 - Divergence between public pronouncements and overall outcomes.
 - No Post Completion Review, and if it has been undertaken, not released publicly.
 - No assurance that all the financial benefits and value from developments have been returned to Housing ACT.
- A Performance Audit of the Program would be reasonable.

Renewal Program Mark 2:

- Financially unviable under the model adopted by the Government.
 - Ethically questionable design/conduct.
- Clear case to stop, and start afresh with the design of the program.

Considerations for Program Redesign

- Overall, dwelling condition* of the stock has deteriorated.

	2016	2021	Change
All Households	81.1%	73.4%	-7.7%
ATSI Households	71.1%	60.0%	-11.1%
Households with a Member with Disability	74.4%	69.0%	-5.4%

* Stock with at least four working facilities and not more than two major structural problems.

- There is considerable scope to identify stock that needs improvements without the tenants being forced to relocate.
- If a major upgrade or full rebuild is required, any tenant relocation should be on an 'opt in' basis.
- The Program should not be redevelopment oriented, but primarily focused on dwelling conditions and tenant satisfaction.
- Large scale stock restructures are problematic and should be pursued over a longer timeframe.