

Regulatory impact statement

Director of Housing determinations 2018

This page has been left blank intentionally.

Regulatory impact statement

Director of Housing determinations 2018

To receive this publication in an accessible format phone 1800 128 496, using the National Relay Service 13 36 77 if required, or email [Victorian Housing Register](mailto:victorianhousingregister@dhhs.vic.gov.au) <victorianhousingregister@dhhs.vic.gov.au>

Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.

© State of Victoria, Department of Health and Human Services April, 2018.

Where the term 'Aboriginal' is used it refers to both Aboriginal and Torres Strait Islander people. Indigenous is retained when it is part of the title of a report, program or quotation.

ISBN 978-1-76069-358-9 (pdf/online)

Available at [Department of Health and Human Services](https://dhhs.vic.gov.au/publications/reports-reviews-data) <<https://dhhs.vic.gov.au/publications/reports-reviews-data>>

Summary

Purpose of the proposed Determination

The Victorian Housing Register (VHR) was established in 2016 as a single waiting list for social (i.e. public and community) housing. The amendments to the *Housing Act 1983* that established the register also authorised the Director of Housing to make “Determinations”, establishing eligibility criteria for access to social housing, priority access categories and other related matters. The criteria apply to both new applicants for social housing and to existing tenants seeking to move to a different social housing property.

The first such Determination came into effect on 23 May 2017. As the publication of a Determination was a key step in bringing the VHR into effect, this Determination was made via a Premier’s exemption from the Regulatory Impact Statement (RIS) requirements of *the Subordinate Legislation Act 1994*. As such, it is valid for only 12 months. It is proposed to replace the current Determination with a new determination which includes a small number of changes to the current eligibility criteria. Because a RIS has been prepared, the proposed new Determination will not expire after 12 months but, rather, will stay in effect until replaced.

Role of the VHR

The social housing sector includes both public housing, which is owned and managed by the Victorian government, and community housing. Community housing is provided by a range of Community Housing Organisations (CHO): There are currently nine registered housing associations and 29 registered housing providers operating in Victoria. Some of the properties managed by these organisations are owned by the organisations themselves, while others are owned by the Victorian government and managed on its behalf by the CHO. Public housing provides long-term rental accommodation, while community housing organisations provide a mix of short-term and long-term housing.

Historically, each CHO has maintained its own waiting list of applicants for housing. In addition, there has been a single public housing waiting list. This has meant that people seeking affordable rental housing have had to seek inclusion on multiple waiting lists in order to maximise their opportunity to be housed. In practice, most applicants were included on only a minority of the social housing waiting lists and so could be considered for housing by only a proportion of social housing providers. In addition, different housing providers adopted somewhat different eligibility criteria.

This problem has been recognised nationally and all states except South Australia have now implemented a single waiting list that covers the whole social housing sector. Adopting a single waiting list means that applicants for social housing have only to register once in order to be considered by all social housing providers. It also means that social housing providers can consider all potential tenants when making allocation decisions. Thus, there are important efficiency and equity benefits from having a single waiting list. In addition, adopting a single waiting list means that a single set of basic eligibility criteria are applied throughout the sector.

Content of the determination

Section 142E(1) of the *Housing Act 1983* empowers the Director of Housing to determine the eligibility criteria that must be met by an applicant for social housing, priority categories for identifying the relative needs of eligible applicants and the housing situation that must be met for applicant to have a particular priority category apply to them. The current Determination states that all social housing applicants must provide proof of their identity, of their Australian citizenship or residency, of their Victorian residency, and of their eligibility under the income and asset criteria that are also established in the Determination. It distinguishes two types of application for inclusion on the Register:

- priority access – for people most in need of housing (as defined by the Determination in ‘priority categories’ which are based on historical practices of allocating social housing); and
- register of interest – for people who do not have an priority housing need but who meet the basic eligibility, income and asset criteria.

Income criteria

All applicants are required to have an independent income¹. The income of the applicant’s household must be within the eligibility limits set. These limits vary according to household type (e.g. single people, couples, families with children), while different limits apply in respect of eligibility for inclusion in priority categories. The income limits are broadly aligned with the income limits set in relation to relevant Federal government programs: the Register of Interest income limits are broadly similar to those applied in the context of the National Rental Assistance Scheme (NRAS), while the priority access income limits are similar to those determining eligibility for a low income and health care card. Tables S1 and S2, below, set out the weekly household income limits applied under the current determination and compare them with the limits applied under these Federal programs.

Table S1 – Current NRAS income limits and ROI income limits

NRAS weekly income limits (2017-18)		ROI weekly income limits (from 1 April 2018)		Difference
1 adult	\$953	Single	\$992	+4.1%
2 adults	\$1,317	Couple, no children	\$1,518	+15.3%
Single parent with 1 child	\$1,318	Family (one or two parents) with dependent children	\$2,047	+55.3%
Single parent with 2 children	\$1,634			+25.3%
Couple with 1 child	\$1,633			+25.4%
Couple with 2 children	\$1,949			+5.0%
Couple with 3 children	\$2,266			-9.7%
Each extra child, add \$316				

Table S1 shows that, while the NRAS and ROI income limits are very similar for some household types (notably single people and couples with two children) the different treatment of different household types under the two programs means that there are substantial differences for other household types.

¹ This can be a Centrelink payment, a wage payment or other source of regular income. All Australian citizens and permanent residents would be eligible to apply for income support from Centrelink.

Table S2 – Current low income healthcare card limits and priority access income limits

Status	Healthcare card limit ²	Priority access income limit ³	Difference
Single, no children	\$546	\$555	+1.6%
Couple, no children	\$943	\$959	+1.7%
Single, one dependent child	\$943	\$995	+5.5%
Couple, one dependent child	\$977	\$995	+1.8%
Each additional child	\$34	\$35	+2.9%

Table S2 shows that the priority access income limits under the current Determination are, in all cases, very similar to the income limits for access to a low income healthcare card.

Asset criteria

Three asset eligibility thresholds are set, applying to register of interest applicants, priority access applicants, and applicants requiring disability modifications to be undertaken, respectively (table S3). If an applicant is eligible for a priority access category and also requires disability modifications, the higher disability modifications asset limit would apply instead of the priority access asset limit. These limits are increased by 2.4 per cent annually, in April, to reflect average increases in the cost of private rental.

Table S3 – Victorian Housing Register asset eligibility thresholds

Application type	Asset limit (from 1 April 2018)
Priority access	\$5,379
Register of interest	\$32,276
Disability modifications	\$107,588

Priority access categories

The current Determination sets out the general principle that “people who are in urgent housing need are prioritised for social housing”. It goes on to outline the categories of the register in order of priority and, in each case, identifies the income and asset limits applied to that category. Table S4 sets out the priority access categories and the applicable income and asset limits.

Table S4 – Victorian Housing Register order of priority

	Category	Priority type	New or transfer ⁴ applicants	Income limit/asset limit that applies
Priority access	Emergency management housing For people whose housing is no longer safe or habitable, due to an emergency, for example, a bushfire, flood or storm.		New and transfer	Register of interest

² Department of Human Services, Australian Government, viewed 16 February 2018, <<https://www.humanservices.gov.au/individuals/enablers/income-test-low-income-health-care-card>>

³ DHHS, State Government of Victoria, viewed 1 April 2018, <<http://www.housing.vic.gov.au/social-housing-income-and-asset-limits>>

⁴ Applicants who are already social housing tenants but are seeking a transfer to another premises within the sector.

	Category	Priority type	New or transfer⁴ applicants	Income limit/asset limit that applies
Priority access	<p>Priority transfers For people who are social housing tenants and require urgent relocation to another social housing property as their current property is unsafe, is to be sold, redeveloped or better utilised.</p>	<p>Safety issues (including family violence and anti-social behaviour) Manifestly unsuitable housing (where the applicant needs to move due to health reasons or the home is too small for everyone in their household) Property management and redevelopment (where the property is to be sold, developed or better utilised)</p>	Transfer	Register of interest For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit.
	<p>Homeless with support For people who are homeless or experiencing family violence and need support to obtain appropriate, long-term housing.</p>	<p>Homelessness (where a client is homeless) Family violence (where a client is facing homelessness due to family violence or is still living in the house where the violence occurs)</p>	New	Priority access
	<p>Supported housing For people who live in unsuitable housing and have a disability or long-term health problem requiring major structural modifications and/or personal support in order to live independently.</p>	<p>Major modifications (where a client requires major modifications to a property, such as disabled (step-less) shower, disabled toilet, wheelchair access, structural reinforcement for bathrooms, etc.) Significant personal support (where a client is unable to access required assistance of personal support)</p>	New	Priority access (new) Unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit. Register of interest (transfer)
	<p>Special housing needs For people who are living in housing that has become unsuitable and have no alternative housing options.</p>	<p>Insecure housing (where a client is either staying temporarily with family or friends or residing in crisis or emergency accommodation) Unsafe housing (where a client is experiencing a serious threat of physical or family violence) Inappropriate housing (where a household is living in accommodation with unsuitable sharing of bedrooms or the current housing is preventing the client from living with their children) Urgent medical needs (where the client has a serious medical condition and the current housing is having a detrimental impact on the clients health)</p>	New and transfer	Priority access (new) Register of interest (transfer) For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit.

	Category	Priority type	New or transfer ⁴ applicants	Income limit/asset limit that applies
Priority access	Special housing needs aged 55 and over People who are eligible for social housing and are aged 55 and over, who are not eligible for another priority category.	Single/couple (where a single person or both members of a couple are aged 55 years and over)	New	Priority access
Register of interest	Register of interest No additional criteria apply.		New and transfer	Register of interest For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit).

Options considered and proposed changes to the current Determination

In considering the design of the proposed Housing Determination, options in terms of all three key elements which it addresses – i.e. income limits, asset limits and priority access categories – have been identified and assessed. It is proposed to adopt a new Determination which is broadly similar to the current Determination, but which differs slightly in respect of some income and asset limits. The proposed changes, vis-à-vis the current determination, are summarised in table S5, below, along with the rationale for each change. An exposure draft of the proposed Determination is also attached to this RIS as Appendix 1.

Table S5 – Summary of proposed changes to the provisions of the current Housing Determination

Item	Proposed change ⁵
Income limits – priority access	No change
Income limits – Rol	Increase current income limit by \$332 per week for third and each subsequent child
Asset limit – priority access	Increase limit from current \$5,379 to \$12,758
Asset limit – Rol	No change
Asset limit – disability modifications	No change
Priority access categories	Existing tenants approved to Supported Housing to be moved up to the Priority Transfers category if they require properties with full or major disability modifications

⁵ Compared with limits set in the current Determination following the application of the 1.1 per cent indexation provision taking effect 1 April 2018.

Table S5, above, shows that the only changes proposed to the current Determination are to:

- increase the income limit for RoI applicants with three or more children by \$332 per week for each child after the second child; and
- increase the asset limit for priority access applicants from the current \$5,379 to \$12,758.

Increased income limit

The proposed change to the income limits for RoI applicants will better reflect the higher living expenses of larger families by establishing higher income limits for families with more than two children. This change will also better align the income limits set under the Determination with the NRAS limits, which also increase with family sizes.

No change is proposed to the current priority access income limits, as these already provide higher income limits for larger families. Moreover these limits are already closely aligned with the Centrelink Low-Income Healthcare Card income limits.

Increased asset limit

The increase in the asset limit applicable to priority access applicants is intended primarily to reflect the fact that standard residential leases are of 12 months duration, as well as the fact that average waiting times for social housing allocations for priority access applicants are around 10.5 months. The proposed change will imply that a priority access applicant with sufficient assets to enable them to finance a 12 month lease in the lowest priced quartile of the housing market will not be excluded from the priority access waiting list due to the asset limit, as is currently the case. This change is expected to eliminate an anomaly in the current arrangements which has significant potential to cause hardship to some priority access applicants. The inclusion of an additional \$2,000 allowance in the calculation of the new asset limit will provide some additional assurance that these negative outcomes will be averted in practice, without substantially changing the criteria for access to the priority housing categories.

Priority access categories

No change to the specification of priority access categories, or their order of priority, is proposed. This reflects the fact that these categories were finalised very recently, via an extensive consultative process, and have widespread stakeholder support. DHHS believes that no changes should be considered to these categories until greater experience with the operation of the current arrangements – including the VHR and the Determination – has been accumulated.

Quantification of the impacts

This RIS does not attempt to quantify in monetary terms the costs and benefits of the proposed determination on the community, nor the social housing providers, either with respect to the current Determination, nor the proposed Determination.

This reflects the nature of the Determination, which specifies the eligibility criteria and the prioritisation of social housing applicants. The costs and benefits are instead addressed in qualitative terms. The VHR itself is expected to deliver efficiencies to DHHS and social housing providers through the provision of a single, consolidated list of applicants.

In turn, applicants are saved the inconvenience and stress of preparing multiple applications to individual social housing providers, and following up with each provider as to the status of their application.

Relaxing the eligibility criteria has the impact of potentially increasing the number of households eligible for social housing. Tightening them has the opposite effect. Given a fixed supply of social housing in the short term, these effects will flow through to the waiting lists, other things being equal. However, the increased clarity around prioritisation of applicants offsets these impacts, by ensuring those in greatest need are afforded the highest priority in the allocation of housing. It is not possible to assess the costs to those who may be eligible for social housing under the income and assets criteria (register of interest

clients), but who may be pushed further down a wait list, by those who are in greater need. Nor is it possible to quantify in monetary terms the benefits flowing of those in greatest need being placed in social housing sooner.

In recognition of this lack of a quantification DHHS will undertake an evaluation of the effectiveness of the income and asset eligibility criteria, and the priority categories in the proposed Determination, as well as the operation of the VHR itself in 2020-21.

Contents

Summary	5
Introduction	13
Background	14
Public and community housing	14
Overview of housing eligibility and priority policy in Victoria	15
The Victorian Housing Register	16
The current housing determination	20
Nature and extent of the problem	30
Description of the problem	30
Identification and assessment of feasible alternatives	34
The scope of the Determination	34
Expected benefits and costs of the Determination	34
Options in relation to income limits	36
Options in relation to asset limits	42
Options in relation to priority access	44
Conclusion	47
Consultation	49
Overview of consultation during the development of the current Director Determinations	49
Issues Raised by the social housing sector in the development of the overall VHR	50
Implementation and evaluation	51
Statement of compliance with National Competition Policy	52
Appendix 1: Exposure draft of Director of Housing Determinations	54
Appendix 2: Glossary	62

Introduction

Recent amendments to the *Housing Act 1983* (the Act) established the Victorian Housing Register (VHR) in 2016 as a single waiting list for social (i.e. public and community) housing. They also authorised the Director of Housing to make “Determinations”, establishing eligibility criteria for access to social housing, priority access categories and other related matters. The criteria applies to both new applicants for social housing and to existing social housing tenants seeking to move to a different social housing property within the sector.

The first such Determination came into effect on 23 May 2017. As the publication of a Determination was a key step in bringing the VHR into effect, this Determination was made via a Premier’s exemption from the Regulatory Impact Statement (RIS) requirements of the *Subordinate Legislation Act 1994*. As such, it is valid for only 12 months.

It is proposed to replace the current Determination with a new determination which is substantively unchanged and will therefore have the effect of extending the operation of the current arrangements. Because a RIS has been prepared, the proposed new Determination will not cease to have effect after 12 months.

Background

Public and community housing

As of 30 June 2017, the social housing sector comprised 86,418 dwellings available for long-term accommodation under the *Residential Tenancies Act (1997)*, of which approximately 80 per cent is public housing.

Public housing provides long-term rental accommodation to people most in need, especially those who have recently experienced homelessness or have other special needs, and face barriers to accessing private rental. Eligibility to apply for public housing has historically been determined by the question of affordability. That is, the eligibility requirements in relation to income have been set at levels that are intended to enable those people who have limited access to the private rental market, and are likely to find themselves in “housing stress”⁶, to seek public housing. There were more than 43,000 households on the Victorian Housing Register including both new and transfer applications. Nearly 20,000 of whom were eligible for priority housing due to significant disadvantage as at December 2017 in Victoria.

The Department of Health and Human Services (DHHS), on behalf of the Director of Housing, is responsible for managing the provision of public housing by the Victorian government.

Community Housing Organisations (CHOs) also provide long-term housing. While social housing can include both crisis and transitional housing which provide immediate responses to those who are homeless and/or experiencing family violence, long term accommodation will be considered within the VHR. Community housing is managed by not-for-profit organisations that are registered by the government. The main forms of community housing that fall under the scope of the Victorian Housing Register (VHR) are Registered Housing Associations and Registered Housing Providers. There are currently nine registered housing associations and 29 registered housing providers varying across metropolitan Melbourne and country/rural Victoria. Some providers specialise in helping certain groups of people such as people with a disability, women, single and older people.

Community housing stock may be thought of in three broad categories:

- housing owned by the Director of Housing and managed by CHOs
- housing owned by CHOs with the Director of Housing maintaining a financial interest
- housing owned or managed by CHOs in which the Director of Housing has no financial interest.

One of the types of properties that are owned by CHOs are properties funded through the National Rental Affordability Scheme (NRAS). NRAS is an Australian government program - in partnership with state and territory governments - to invest in affordable rental housing for low and moderate income earners. In Victoria, NRAS is considered to be social housing. The properties are owned and managed privately by non-government organisations, like private developers. They are not government property.

Full details of Community Housing Organisation arrangements are available on the [Housing Registrar website](http://www.housingregistrar.vic.gov.au) <<http://www.housingregistrar.vic.gov.au>>.

Registered Housing Associations (RHAs)

RHAs own and manage their own properties, as well as managing properties owned by the Director of Housing. Like public housing, these organisations manage and maintain properties using their own staff. RHAs are eligible to receive Government funding to build or acquire new properties.

Organisationally, RHA's must be companies limited by shares or guarantees. RHAs are relatively large, complex businesses with the skills, expertise and resources to manage, maintain and grow a viable

⁶ Typically defined as a situation in which housing costs exceed 30 per cent of disposable income.

social housing portfolio. They expand their stock of housing through both construction of new dwellings and purchases of existing dwellings. There are currently nine RHAs in Victoria⁷, including Aboriginal Housing Victoria.

Aboriginal Housing Victoria (AHV)

AHV is the largest Aboriginal housing organisation in Australia and provides affordable housing to low income Aboriginal and Torres Strait Islander Victorians. AHV houses around 4,000 Aboriginal Victorians in over 1,500 properties, the great majority of which have been provided to AHV by the Director of Housing⁸.

Registered Housing Providers (RHPs)

Housing providers can be companies limited by shares or guarantee, incorporated associations or co-operatives. RHPs range in size and primarily manage rental housing portfolios for other parties, such as the Director of Housing, although some also own properties. RHPs often specialise in providing housing to particular client groups, such as people with disabilities, the aged or youth.

Community managed rooming houses

Community managed rooming houses provide accommodation mainly for single people and are managed by both Registered Housing Agencies and Registered Housing Providers. Residents rent a room in the house but often share common facilities such as kitchens, bathrooms and laundries, although rooms are increasingly becoming self-contained (i.e. have their own kitchen and bathroom). While rooming houses can provide short term accommodation for some people, community managed rooming houses are considered long term accommodation for many other people.

Rental housing co-operatives (RHCs)

RHCs lease most of their properties from the Director of Housing, who contracts RHCs to manage the properties. There are currently seven RHCs, managing around 500 properties⁹. Tenancy management and maintenance are carried out by paid workers, under the direction of the Co-operative's Board of Directors. RHCs are governed by voluntary tenant members with support from professional staff. A key principle governing RHCs is that the tenant must be willing and able to participate in the running of the co-operative¹⁰.

Overview of housing eligibility and priority policy in Victoria

Social housing in Victoria has always been allocated on the basis of explicit policies which have identified priorities and make judgements as to relative housing need. Many of these policies have been developed as part of the process of enacting inter-governmental agreements covering Federal, State and Territory governments. These inter-governmental agreements have historically provided the major capital funding source for social housing. The following highlights key developments in this policy development and implementation in relation to public and community housing.

⁷ For details, see the [Housing Registrar website](http://www.housingregistrar.vic.gov.au/Who-we-regulate/Housing-associations) <<http://www.housingregistrar.vic.gov.au/Who-we-regulate/Housing-associations>>.

⁸ "Next Stage Of Aboriginal Housing Handover Commences", <<https://www.premier.vic.gov.au/of-aboriginal-housing-handover-commences/>>, Premier, State Government of Victoria, 23 July 2017.

⁹ "Co-operative Rental Housing Information Pack", <<https://www.cehl.com.au/uploads/applicant/pdfs/110303-Applicant%20Info%20Pack.pdf>>, Common Equity Housing Ltd, viewed 12 March 2017.

¹⁰ For more information about housing co-operatives, see the [Community Housing Industry Association Victoria website](https://chiavic.com.au/housing-co-operatives/), <<https://chiavic.com.au/housing-co-operatives/>>.

Commonwealth State Housing Agreement (CHSA) ¹¹

The CSHA was initiated in 1945 for the purpose of underpinning the construction of substantial numbers of new rental dwellings. Given the immediate post-war context, with large numbers of returning servicemen, the CSHA provided that 50 per cent of these dwellings must be allocated to ex-defence force personnel. The CSHA was periodically re-negotiated in the subsequent decades, with the policy objectives and tools employed changing significantly over time as a consequence of evolving views as to the role of government in housing provision.

Between 1956 and 1999, the CSHA moved objectives from supporting home ownership, to focusing on targeting those on low incomes, to those 'in need' including Aboriginal Australians and pensioners, as well as crisis accommodation. In the 1990's, the CSHA focused on housing families and individuals who could not be adequately housed in the private rental market with housing assistance being directly tied to need. This formed the basis for the development of Victoria's Segmented Waiting List (SWL) that categorised access to public housing on the basis of relative housing need with homelessness as the highest priority. In 2009, the CHSA was superseded by the National Affordable Housing Agreement (NAHA) and the National Partnership against Homelessness (NPAH). A key direction under the NAHA was to continue to strengthen the role of Community Housing, while both agreements reflected the importance of better tackling homelessness.

The Segmented Waiting List (SWL)

The SWL, which was implemented on 1 February 1999, and was developed in consultation between the then Department of Human Services and representatives of the Community Housing Federation of Victoria and the Victorian Council to Homeless Persons,. Under the SWL, the priority categories identified were:

- Recurring Homelessness
- Supported Housing e.g. applicants requiring a property with full modifications or significant personal support to live independently
- Special Housing Needs (including non-recurring homelessness and family violence) e.g. those who may be living in crisis accommodation or in overcrowding
- Wait Turn – applicants on the public housing waiting list.

In 2012, following a review of the SWL, the relative priority accorded to those on the SWL who were experiencing homelessness, including as a consequence of family violence, was increased by placing these applications in a new highest category, Homeless with Support, replacing the previous Recurring Homelessness category¹².

The SWL effectively formed the basis for the structure of the Victorian Housing Register, albeit some changes were made (see below).

The Victorian Housing Register

While there are important linkages between the public and community housing sectors, as shown above, each organisation (DHHS and CHOs) allocates its housing (i.e. selects prospective tenants) according to its own specific policies and procedures, which are consistent with their organisational missions. For

¹¹ For further background on the CSHA, see the [Parliament of Australia website](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/Publications_Archive/archive/StateHouseAgree): <https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/Publications_Archive/archive/StateHouseAgree>.

¹² Eligibility for community housing was broadly aligned with the approach adopted for public housing during the period of operation of the SWL, at least in relation to stock that was at least partly funded via the Director of Housing. However, community housing organisations also operate a range of other types of community housing, such as under the National Rental Affordability Scheme (NRAS), and have at times adopted different approaches to allocation in respect of this stock, tied to their organisational missions.

example, some organisations exist to provide housing specifically for older homeless people, people with disabilities or Aboriginal people.

On that basis, prior to the creation of the VHR, each of these CHOs, in addition to DHHS, maintained their own waiting lists. This in turn meant that a person seeking housing had to apply separately to each CHO if they wished to be considered for housing. Given that there are currently 38 CHOs in Victoria, this posed significant difficulties for prospective tenants. In practice, most would have applied to the waiting list of only a minority of CHOs.

This has occurred in the context in which demand for public and community housing has grown substantially, relative to its supply, and waiting lists have become increasingly lengthy. The issue of ensuring that available housing is allocated to those with greatest need has, therefore, become increasingly important.

In September 2015, the Minister for Housing, Disability & Ageing announced the VHR with the following objectives;

- consolidate all social housing waiting lists into a single place
- provide a fair way for households to access a broad range of social housing options
- allow all participating social housing organisation to access one register to allocate vacant properties.

Subsequently, the Victorian government amended the Act in 2016¹³ to establish the VHR. The VHR acts as a single waiting list for all participating¹⁴ public and community housing providers. Section 142A of the Act sets out the purpose of the register, as follows:

The purpose of the Victorian Housing Register is to facilitate the appropriate allocation of tenancies in social housing, having regard to—

- (a) *the relative housing needs of eligible applicants; and*
- (b) *the health, safety and support needs of eligible applicants; and*
- (c) *the availability of social housing.*

The intended outcomes of the VHR are to:

- improve accountability and transparency in meeting people's housing needs across the social housing sector
- increase access to housing for priority housing applicants
- improve operational efficiency and reduce administrative burdens and stress for the community housing sector and people applying for housing assistance.

In summary, the VHR is intended to ensure the equitable allocation of the available supply of social housing, having regard to the priorities set by the Director of Housing. The VHR provides a streamlined, transparent and fair way for disadvantaged people across the State to access social housing. Victorians in need of housing support now only have to 'tell their story' once and submit one application. In effect, it largely determines the "appropriate" allocation of tenancies, as per Section 142A.

Co-design approach to VHR

Following the announcement of the creation of VHR in September 2015, as an initial step the Victorian Housing Working and Senior Leadership groups were established, who drew on the SWL as the basis for the design of the VHR's prioritisation of relative housing need. A key consideration was ensuring that, given around 43,000 applications already existed on the SWL at that time, together with a further 15,500 applications on community housing waiting lists, those clients were not inadvertently disadvantaged through reprioritisation.

¹³ The *Housing Amendment (Victorian Housing Register and Other Matters) Bill 2016* was passed in December 2016.

¹⁴ As referenced in section 14F of the *Housing Amendment (Victorian Housing Register and other matters) Bill 2016*.

The VHR Senior Leadership Group has been consulted on all aspects of the development and implementation of the VHR, including changes to operational guidelines, policies and procedures. Input has also been obtained from a wide range of stakeholders to create an environment of 'co-design'. A number of workshops have been held regarding specific client groups to ensure that those in greatest need were captured in the structure of the VHR. The eligibility criteria and priority categories described in the current Director Determinations are the result of this co-design process.

As an outcome, a number of key changes (outlined below) were made to the arrangements that applied under the SWL with the commencement of the VHR in September 2016.

Emergency Management

The Emergency Management Housing category is for people whose housing is no longer safe or habitable, due to an emergency, for example a house fire, bushfire, flood or storm. It is intended that people can be quickly rehoused if they are unable to return home.

The primary change to this category was its title, formerly 'Declared State Emergency'.

Priority Transfers

The Priority Transfers category is for existing social housing tenants that require relocation to another social housing property as their current property is unsafe or unsuitable, is to be sold, redeveloped or better utilised.

Under the SWL arrangements only existing tenants who were located in houses that were to be redeveloped received priority for transfers to a new public housing unit ahead of the Homeless with Support category on the public housing waiting list. However, in 2016, the Priority Transfer category was created to extend eligibility to a number of other groups of existing tenants, in recognition of the fact that these groups had high priority needs for re-housing. This group includes tenants experiencing family violence (see case study below), tenants who cannot make use of their properties due to a medical condition and tenants who need larger accommodation or who want to downsize.

Homeless with Support

The Homeless with Support category is for individuals or households who are homeless, at risk of homelessness or experiencing family violence who:

- have no alternative housing options and
- who are either:
 - receiving support through a government-funded support program, or
 - exiting care or custody under health, child protection or justice arrangements.

Applications for Homeless with Support are submitted by a designated service provider on behalf of an individual or household.

The VHR retains this category but there was previously no distinction between family violence or homelessness as an applicant's primary reason for being in the Homeless with Support category (again for the impact see below case study on family violence). The VHR creates a distinction in terms of reason to both ensure adequate consideration is given to safety matters when housing someone experiencing family violence, and allows reporting on the outcomes for these needs at a more granular level. While there is a distinction in terms of the primary reason that an applicant falls into this category, there is no distinction in terms of determining how these applicants are prioritised within this priority category, as this is determined on the basis of relative need.

Supported Housing

The Supported Housing category is for individuals or households whose existing housing is highly unsuitable because they require a major structural modification of their existing housing or are unable to access, from their housing, required assistance of personal support through a designated support provider to be able to live independently.

The eligibility rules for the Supported Housing category were changed to take account of the implementation of the National Disability Insurance Scheme (NDIS) from July 2016. The key changes enable the identification of households who have a member who is in receipt of NDIS assistance, together with excluding any NDIS package from income assessment because these are provided for the purpose of a person's property modifications or personal needs, not income support. Again, there is no distinction in terms of how the groups under this priority category are rated on the basis of relative need.

Special Housing Needs

The Special Housing Needs category is for people who are living in housing that has become unsuitable and have no alternative housing options e.g. due to overcrowding, family reunification or serious threat of violence

This category henceforth included applicants experiencing family violence or homelessness, where they are not receiving support via a case management approach.

Special Housing Needs Aged 55 years and Over

Subsequently, the VHR was amended in September 2017 to include people aged over 55 who are living in private rental accommodation (but meet the income and asset eligibility tests discussed in see tables 1 and 2) within the Special Housing Needs category. This change was adopted in recognition of the vulnerability to homelessness of older people on low incomes living in private rental.

Determining priority

Where an applicant demonstrates they are eligible for more than one priority category, the applicant is approved to the higher priority category. For example, if they are eligible for both Special Housing Needs and Homeless with Support, their priority for placement in social housing would be determined according to the Homeless with Support category as this is the higher priority category.

The criteria to determine whether an applicant falls within a given Priority Access category is discussed further on page 28 (*Housing situations that must be met*).

Box 1 – Case study – The VHR and family violence

Prior to the implementation of the VHR, it was not possible to distinguish between public housing applications where the household was experiencing family violence, and other applications such as overcrowding in the same category. The key change adopted as part of the implementation of the VHR was that the new system uses a mix of broad priority categories and specific reasons for according greater priority to an applicant. As a result, it is now possible to distinguish applications as follows:

- Priority Transfer (family violence): Applicants currently living in social housing who are in unsafe situations because of their ongoing exposure to family violence
- Homeless with Support (family violence): Applicants who have moved into short term accommodation such as women's refuges or transitional housing to escape a family violence situation and consequently need access to long term social housing if they are not to again be exposed to family violence risk
- Special Housing Needs (family violence): Applicants living in private rental housing with friends or family, who are unsafe.

This means that applicants for social housing can now specify exposure to family violence as a factor to be considered in determining their eligibility for priority access and that exposure to family violence was also taken into account in dealing with existing applications for social housing that had been transferred from the former public housing waiting list. In addition, if the primary reason for the application is family violence, the higher 'Register of Interest' income and assets eligibility criteria can be applied if necessary, to provide appropriate assistance¹⁵.

The benefits of this approach have included:

- A better perspective on relative housing need driven by family violence can be gained - for example, there are a significant group of applicants who are single, where the perception was it was mainly women and their children;
- The applicant's current housing situation can be better understood, and better planning undertaken to ensure safety;
- Those in social housing experiencing family violence (who historically would have been a low priority to be allocated safer housing) are having their needs addressed, while those awaiting housing are still being allocated;
- Initiatives such as the recent Family Violence Housing Blitz can be more effectively responded to in terms referrals for housing, and reporting of outcomes;
- Better information is available to the Family Violence Housing Task force to support their work in planning more effective responses to those experiencing family violence and in housing need.

The current housing determination

The adoption of a Housing Determination was an essential step in enabling the VHR to become operational. Similarly, replacement of the current Determination with a new Determination prior to its expiry on 22 May 2018 will ensure that the VHR can continue to perform its intended function.

Section 142E(1) of the Act states that the Director of Housing "...may determine any of the following for the purposes of allocating tenancies in social housing to applicants on the Victorian Housing Register":

- eligibility criteria that must be met by an applicant to be eligible for a tenancy in social housing
- priority categories for the purposes of identifying the relative needs of eligible applicants for social housing

¹⁵ Addressed in the eligibility for [Victorian Housing Register operational guideline](http://fac.dhhs.vic.gov.au/eligibility-criteria): <<http://fac.dhhs.vic.gov.au/eligibility-criteria>>.

- the housing situation that must be met by an eligible applicant for a particular priority category to apply to that eligible applicant
- any other general matter to which the Director and authorised persons must have regard when performing functions or exercising powers in relation to the Victorian Housing Register.

The provisions of the current determination in respect of these matters are summarised in the following sections.

Basic eligibility criteria for eligibility for a tenancy

Section 2 of the current Determination states that, to be eligible for a social housing tenancy (and thus for inclusion on the VHR) an applicant must provide proof of their identity, of their Australian citizenship or residency, of their Victorian residency, and of their eligibility under the income and asset criteria that are also established in the Determination (see below).

The Determination distinguishes two types of application for inclusion on the Register:

- priority access – for people most in need of housing (as defined by the Determination in ‘priority categories’ which are based on historical practices of allocating social housing)
- register of interest – for people who do not have a priority housing need but who meet the basic eligibility criteria, including income and asset criteria, and are seeking to live in social housing.

Both types of application must meet the same basic eligibility criteria described above (i.e. identification and residency requirements) but the income and asset eligibility criteria differ according to the type of application (see table 1 and table 2).

In 2015-16, 83.8 per cent of new public housing allocations and 83.9 per cent of new CHO allocations were made to those households in greatest need.

Income criteria

All applicants are required to have an independent income¹⁶, the amount of which must be within the eligibility limits set. These limits vary according to household type (e.g. single people, couples, families with children), while different limits apply in respect of eligibility for inclusion in priority categories.

Eligibility is assessed on the basis of the total income of the applicant’s household type. Table 1, below, sets out the income eligibility thresholds established in the current Determination for each household type. Sometimes an application for housing may consist of more than one household type, for example, an adult child living with their parents; in this situation the application would be income-eligible if the single adult meets the single person income limit and the couple meets the relevant couple with no dependents income limit.

The income limits are increased by 1.1 per cent twice yearly, in April and October, to reflect increases in the general cost of living¹⁷.

¹⁶ This can be a Centrelink payment, a wage payment or other source of regular income. All Australian citizens and permanent residents would be eligible to apply for income support from Centrelink.

¹⁷ This indexation is based on a five year average of the six-monthly increase of the Centrelink Health Care Card eligibility qualifying limits, which is the basis upon which the priority access income limits are set.

Table 1 – Victorian Housing Register income eligibility thresholds

Household type	Maximum weekly income (as of 1 April 2018)
Register of interest applicants	
Single person	\$992
Couple with no dependents	\$1,518
Family (one or two parents) with dependent children	\$2,047
Priority access applicants	
Single person	\$555
Couple with no dependents	\$959
Family (one or two parents) with one dependent child	\$995
Each additional dependent	\$35

Note: Households for whom Centrelink is the only form of income received, are eligible for social housing even if the amount of income they receive from Centrelink is over the relevant income limit in table 1. Some income types, such as the Centrelink Pharmaceutical Allowance, are not considered as income for the purpose of determining social housing eligibility. Given the range of payments made by Centrelink, and that they can change over time, these types of exemptions of income types are dealt with in the VHR Operational Guidelines rather than in the Determination.

Table 1 shows that the income thresholds for priority access applicants are substantially lower than those for “Register of Interest” (RoI) applicants. However there are two priority category instances when the income limits applied are the RoI limits rather than the priority access limits¹⁸. This reflects the fact that these tenants are either facing an emergency situation where social housing may be the only solution and income should not be a barrier, or where a household is already living in social housing, and again, their income should not become a barrier to accessing the most appropriate housing to meet their need.

Asset criteria

Three asset eligibility thresholds are set, applying to register of interest applicants, priority access applicants, and applicants requiring disability modifications to be undertaken, respectively (table 2). If an applicant is eligible for a priority access category and also requires disability modifications, the higher disability modifications asset limit would apply instead of the priority access asset limit.

These are increased by 2.4 per cent annually, in April, to reflect average increases in the cost of private rental. This indexation is based on the average state-wide annual percentage change in median rents over a five year period.

Table 2 – Victorian Housing Register asset eligibility thresholds

Application type	Asset limit (from 1 April 2018)
Priority access	\$5,379
Register of interest	\$32,276
Disability modifications	\$107,588

¹⁸ These limits can be applied to Emergency Management applications and priority transfers with discretion.

Priority categories

The current Determination sets out the general principle that “people who are in urgent housing need are prioritised for social housing”. It sets out an indicative list of situations in which an applicant may be judged to be in urgent housing need. These are:

- the applicant is homeless
- the applicant is experiencing, or has experienced, family violence in their homes
- the applicant needs to move for health reasons
- the applicant’s home is too small for everyone in their household
- the applicant is living in emergency, crisis or transitional housing
- the applicant’s social housing property is to be sold or redeveloped
- the applicant is staying with someone temporarily while they look for a home
- the applicant is aged 55 years or over and is unable to sustain any other housing options on the basis of affordability.

The Determination then goes on to outline the categories of the register *in order of priority* and in each case, identifies the income and asset limits that must be met by the applicant for them to be eligible for that particular category (see table 3).

The criteria for the VHR apply to both new applicants for social housing and to existing social housing tenants seeking to move to a different social housing property within the sector. Regardless of whether an application is new or transfer, they form part of a single VHR with their place on the register determined by the priority in which they fall.

Table 3 – Victorian Housing Register order of priority

	Category	Priority type	New or transfer ¹⁹ applicants	Income limit/asset limit that applies
Priority access	Emergency management housing For people whose housing is no longer safe or habitable, due to an emergency, for example, a bushfire, flood or storm.		New and transfer	Register of interest
	Priority transfers For people who are social housing tenants and require urgent relocation to another social housing property as their current property is unsafe, is to be sold, redeveloped or better utilised.	Safety issues (including family violence and anti-social behaviour) Manifestly unsuitable housing (where the applicant needs to move due to health reasons or the home is too small for everyone in their household) Property management and redevelopment (where the property is to be sold, developed or better utilised)	Transfer	Register of interest For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit.

¹⁹ Applicants who are already social housing tenants but are seeking a transfer to another premises within the sector.

	Category	Priority type	New or transfer¹⁹ applicants	Income limit/asset limit that applies
Priority access	<p>Homeless with support For people who are homeless or experiencing family violence and need support to obtain appropriate, long-term housing.</p>	<p>Homelessness (where a client is homeless) Family violence (where a client is facing homelessness due to family violence or is still living in the house where the violence occurs)</p>	New	Priority access
	<p>Supported housing For people who live in unsuitable housing and have a disability or long-term health problem requiring major structural modifications and/or personal support in order to live independently.</p>	<p>Major modifications (where a client requires major modifications to a property, such as disabled (step-less) shower, disabled toilet, wheelchair access, structural reinforcement for bathrooms, etc.) Significant personal support (where a client is unable to access required assistance of personal support)</p>	New	<p>Priority access (new) Unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit. Register of interest (transfer)</p>
	<p>Special housing needs For people who are living in housing that has become unsuitable and have no alternative housing options.</p>	<p>Insecure housing (where a client is either staying temporarily with family or friends or residing in crisis or emergency accommodation) Unsafe housing (where a client is experiencing a serious threat of physical or family violence) Inappropriate housing (where a household is living in accommodation with unsuitable sharing of bedrooms or the current housing is preventing the client from living with their children) Urgent medical needs (where the client has a serious medical condition and the current housing is having a detrimental impact on the clients health)</p>	New and transfer	<p>Priority access (new) Register of interest (transfer) For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit.</p>
	<p>Special housing needs aged 55 and over People who are eligible for social housing and are aged 55 and over, who are not eligible for another priority category.</p>	<p>Single/couple (where a single person or both members of a couple are aged 55 years and over)</p>	New	Priority access

	Category	Priority type	New or transfer ¹⁹ applicants	Income limit/asset limit that applies
Register of interest	Register of interest No additional criteria apply.		New and transfer	Register of interest For asset limit, register of interest unless a family member requires major modifications, in which case the asset limit is the disability modification asset limit).

Context for the priority access categories and client profile

The following provides an overview of the priority access categories used in the VHR, including discussion of eligibility issues and trends within each category.

Tenancy Redevelopment /Relocations

Through the Homes for Victorians initiative, the State government aims to redevelop the ageing public housing stock. Stage One of the Public Housing Renewal Program will result in the redevelopment of 1100 public housing properties across nine sites in metropolitan Melbourne. While this redevelopment will substantially improve the quality of the stock, it also gives rise to a large cohort of existing public housing tenants who are in urgent need of rehousing, in order to enable redevelopment to proceed. The tenure profile of public housing shows that most public tenants have been in public housing for many years and are likely to have few options in the private market. This, plus the fact that the government is taking the initiative to redevelop their existing housing implies that this group must be accorded a high priority in allocating new housing. Based on the current trend, it is anticipated that as tenant relocations to support the Public Housing Renewal Program take up available vacancies, there will be an impact on available stock for new allocations from the waiting list.

Family Violence

Family Violence is increasingly becoming one of the primary causes of homelessness in Victoria²⁰. According to one recent estimate, more than one third of women (and over half of all women with children) using homelessness services stated escaping violence was their main reason for seeking help²¹. As noted in the Victorian Government's "Homes for Victorians" policy document²², it is common for victims of family violence to be forced to choose between compromising their safety and living on the streets.

The findings of the Royal Commission into Family Violence (RCFV), published in March 2016, identified housing assistance as a particular challenge for victims of family violence. The royal commission found that one of the system limitations to addressing family violence was the "homelessness and housing systems cannot guarantee a safe place to stay or a permanent home that is affordable." [Summary and recommendations- page 6].

²⁰ See: Australian Government (2008) *The Road Home: A national approach to reducing homelessness*, White Paper, Department of Families, Housing, Community Services.

²¹ "RCFV Specialist homelessness services collection data July 2011 to June 2014", <<http://www.rcfv.com.au/Report-Recommendations>> RCFV Specialist homelessness services collection data July 2011 to June 2014>, Royal Commission into Family Violence, last updated 17 November 2017.

²² Government of Victoria (2017). *Homes for Victorians*.

Following the 2016 report of the RCFV, the Victorian government committed to implementing all of the 277 recommendations made by the Commission. Its *Ending Family Violence: Victoria's Plan for Change* policy paper provides detail on how this commitment will be implemented. One of the first priorities of this plan is to ensure the safety of women and children so they can remain in their homes should they wish to do so. Where this is not possible, the state government will ensure victims are rapidly rehoused in safe, secure and stable housing by diverse assistance.

In addition, the *Federal-State Transitional National Partnership Agreement on Homelessness (2016)* announced that it would continue to give priority funding to services that support women and children experiencing family or domestic violence²³.

Victims of family violence may be eligible for various levels of priority access to the VHR, depending on their current housing situation – for example, whether they are a current social housing tenant or if they are homeless or living in a refuge, or in the private market.

Homeless

The role of priority applications under the homeless with support category is to assist those clients who are homeless and most in need of housing to be housed as soon as possible. A challenge within Victoria is housing affordability as there is a persistent shortage of around 50,000 private rental homes for low income Victorians²⁴.

Homes for Victorians reports that thousands of Victorians are sleeping in their cars, on friends' couches or on the street and that homelessness rates are increasing. Others, including both individuals, single adult men and women and families with dependent children may find themselves sleeping rough including on city streets, in parks and gardens, carparks, sporting grounds, bushland areas and coastal reserves. Those who sleep rough are among the most vulnerable and disadvantaged members of the community as they are exposed to a range of harms including violence and extreme weather conditions that can have lasting impacts on both their physical and mental health. There are varying reasons why people become homeless, such as loss of employment, relationship breakdown, family violence or disability.

As part of *the Rough Sleeping Action Plan*²⁵, the state government aims to increase access to suitable, affordable, permanent housing for people sleeping rough or who are at risk of chronic homelessness and rough sleeping.

Supported Housing

People with a disability are vulnerable to homelessness and inappropriate housing partly because of limited options and discrimination in the private rental market. People with a disability face significant difficulties in finding accommodation that is suitable for their needs. As a result, many are forced to live in unsuitable housing because, often meaning that they are placed in accommodation which is segregated from the broader community²⁶.

The National Disability Insurance Scheme (NDIS) is due to be available to 105,000 Victorians with a disability by 2020 which will create an additional demand for housing. Nationally, affordable housing demand is expected to increase for adults seeking to transition from living with their parents or in groups

²³ "Transitional National Partnership Agreement on Homelessness", <<https://www.dss.gov.au/housing-support/programmes-services/transitional-national-partnership-agreement-on-homelessness>>, Department of Social Services, Australian Government, last updated 12 July 2017.

²⁴ Hulse, Reynolds and Yates (2014), **Changes in the supply of affordable housing in the private rental sector for lower income households, 2006–11**, AHURI, <<https://www.ahuri.edu.au/research/final-reports/235>>.

²⁵ Victorian Government (2018). **Rough Sleeping Action Plan**.

²⁶ "Housing and human rights – NDIS to deliver for people with disability", <<https://www.ndis.gov.au/housing-human-rights-ndis-deliver.html>>, NDIS, Australian Government, viewed 16 February 2018.

homes to independently living in the community. It is expected this number will increase to between 83,000 and 122,000 with 18,000 in Victoria on a per capita basis²⁷.

Out of those households on the Victorian Housing Register Priority waiting list, currently about seven per cent are estimated to need some form of supported housing due to a disability, however as noted above the NDIS is expected to have a significant impact on housing demand in the coming years.

The Federal government's 1997 report into Housing Assistance²⁸ found that people living with either a physical or psychiatric disability usually have high living costs, while many also have low incomes, leading private landlords to perceive them as lacking in security when they are looking for tenants. The report found that people with physical disabilities usually require a residence that can accommodate wheelchair access and have modified facilities (such as kitchen and bathroom) in order to live independently. This 1997 report concluded that the private rental market does not meet the requirements for people with special needs, for various reasons including reluctance to install or allow the installation of modifications, and belief that tenants with disabilities are likely to be less reliable in paying rent.

This failure of the private rental market to provide suitable housing for people with disabilities has been explicitly recognised as part of the National Disability Insurance Scheme. According to the NDIS Principles to Determine Responsibilities 2015:

“Social housing providers will be responsible for providing accessible accommodation for people in need of housing assistance in line with existing allocation and prioritisation processes, and consistent with universal design principles and liveable housing design standards as outlined in the National Disability Strategy 2011-2020, including appropriate and accessible housing for people with disability, routine tenancy support, and ensuring that new publicly-funded housing stock, where the site allows, incorporates Liveable Design features”.

Special Housing Needs

This category includes a number of other groups with particular housing needs. Many Victorians living in private rental are in housing stress (i.e. spend more than 30 per cent of their disposable income on housing costs) and, as a result, often live in unsuitable and/or insecure housing. Inappropriate housing includes those households that are overcrowded (e.g. children of different genders do not have separate bedrooms, parents and children do not have separate rooms). Insecure housing includes situations in which households are living temporarily with relatives or friends, who are unable to provide longer term housing, as well as those living in temporary, emergency or crisis housing.

Urgent Medical Needs is the priority category for those with a serious medical condition, who urgently require alternative housing as a result of their condition.

Aged 55 years and Over

Recent research by the Australian Housing and Urban Research Institute (AHURI)²⁹ points to a rising incidence of poverty and vulnerability which can lead to homelessness among older people. Many older people renting privately are unable to sustain market rates of rent whilst reliant on the fixed low income of the aged pension. Older people can also face housing crisis when they are no longer able to live with family due to carer stress, overcrowding relationship tension and elder abuse (AHURI 2015). Rates of

²⁷ Wiesel and Habibis (2015), **NDIS, housing assistance and choice and control for people with disability**, AHURI, <<https://www.ahuri.edu.au/research/final-reports/258>>.

²⁸ See [Parliament of Australia website](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Completed_inquiries/1996-99/housing/report/index) <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Completed_inquiries/1996-99/housing/report/index>.

²⁹ Petersen, M; Phillips, R & Dr G. White (2015). **Preventing first time homelessness amongst older Australians**. AHURI Research and Policy Bulletin (April 2015)

home ownership appear to be declining among this age cohort, thus increasing the proportion of this group potentially facing housing stress³⁰.

There is a growing group of older Australians who have not attained home ownership due to factors such as low wages, illness or family changes that can inhibit wealth creation and the ability to get on the home ownership ladder.

Housing situations that must be met

Section 6 of the Determination sets out the means by which applicants must demonstrate their eligibility for the relevant priority category, the following summarises the housing situations and eligibility criteria for acceptance into the priority categories established in the register and the means typically used to establish eligibility.

Emergency Management Housing

To confirm eligibility, an applicant's support organisation, a recovery agency such as the municipal council, or a tenancy manager must confirm their housing is no longer safe or habitable, due to an emergency.

Priority Transfers

To be considered eligible, the type of circumstances that must be demonstrated include:

- *Safety issues* – there are safety issues, for example, due to family violence, anti-social behaviour, threats to safety in a rooming house, risk of ex-prisoner tenant re-offending etc.
- *Manifestly unsuitable housing* – the existing housing is manifestly unsuitable resulting in a situation where a person cannot continue to live there independently, for example, they need major disability modifications or level access, or they cannot accommodate a live-in carer.
- *Uninhabitable housing* – the property is uninhabitable, for example, because there has been a fire, flood, or vandalism.
- *Family re-unification* – there is a need to re-unify a family, for example, if a court has ordered that a child should stay with their parent three nights a week and there are not enough bedrooms to accommodate the child.
- *Stock utilisation* – a need to better match tenants to properties that improves stock utilisation. For example, where a tenant wishes to downsize from a four bedroom house to a two bedroom house as their children have grown up and moved out of the family home.
- *Move out of a property* – a need to move a tenant due to an expiry of a head-lease or to enable redevelopment or upgrade of the property.

Homeless with Support

The Homeless with Support category is for individuals or families who are homeless, at risk of homelessness or experiencing family violence who:

- have no alternative housing options
- are receiving support through a government-funded support program, or
- who are exiting care or custody under health, child protection or justice arrangements.

³⁰ Housing for the Aged Action Group (2016), **At the crossroads in retirement: Older people at risk of homelessness**, <https://www.older tenants.org.au/sites/default/files/at_the_crossroads_in_retirement_hal_report_july_2016.pdf>.

Supported Housing

The Supported Housing category is for people or families whose existing housing is highly unsuitable because of one of the following reasons:

- major structural modification is required of their existing housing due to a household member's disability or health condition, but such modification cannot be made
- they are unable to access required assistance of personal support through an approved support provider to be able to live independently or their housing is significantly detrimental to, or exacerbates, their physical or mental health condition.

Special Housing Needs

The Special Housing Needs category is for people who are living in housing that has become unsuitable and have no alternative housing options.

There are four priority reasons that a person can be considered eligible for the Special Housing Needs category. The applicant must demonstrate to be eligible for this category via one of the following reasons:

- *Insecure housing* – the applicant is living in temporary, emergency or crisis housing or with friends or relatives
- *Inappropriate housing* – the applicant is living in a situation characterised by severe overcrowding, unsuitable housing or a need for family reunification
- *Unsafe housing* – the applicant is experiencing family violence or a serious threat of physical danger
- *Urgent medical needs* – the applicant has a serious medical condition, as a result of which they urgently require alternative housing.

Special Housing Needs aged 55 years and over

This category is for people aged 55 years and over who wish to be considered for social housing who are not eligible for any other priority access category. This category only applies to single people and couples. In the case of couples, both applicants must be aged 55 years or above.

Nature and extent of the problem

Description of the problem

As the above discussion indicates, the problem to be addressed is that of ensuring that the limited available supply of social housing is allocated to those people in greatest housing need. The following data, drawn from publicly reported waiting list numbers and the Productivity Commission's Report on Government Services (2017), highlights the extent of the excess demand for housing services and the consequent importance of ensuring that the limited supply of housing is allocated to those in greatest need.

Housing need

The Productivity Commission compiles data from all states and territories, which is published in its Report on Government Services (RoGS) series. It should be noted, however, that the Commission's counting rules can result in numbers that vary slightly from the various local reporting arrangements.

Table 4 is reproduced from the 2017 RoGS and summarises the number of applicants on public/social housing waiting lists across Australia over the past five years. It shows that, while there has been a gradual decline in the number of applicants on waiting lists at the national level over this period, almost 150,000 applicants remained on waiting lists as at 30 June 2016³¹. In Victoria's case, the numbers below refer to the public housing waiting list as they pre-date the establishment of the Victorian Housing Register.

The number of applicants on the public housing waiting list in Victoria declined by 14.0 per cent over this period, with 31,764 applicants remaining on the waiting list as at 30 June 2016. By comparison, the total number of tenable dwellings comprising the Victorian public housing stock was 64,023 at the same date³².

Table 4 – Applicants registered on public/social housing waiting lists (30 June)

Year	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aust
2016	59,031	31,764 ³³	11,720	18,029	19,305	3,365	1,917	2,753	147,884
2015	57,345	34,464	12,565	22,696	19,062	2,587	2,320	2,950	153,989
2014	57,791	34,625	15,013	20,003	19,515	2,227	2,300	3,092	154,566
2013	57,648	35,778	17,841	21,218	19,602	1,853	2,231	2,800	158,971
2012	52,986	36,942	24,166	22,883	20,510	2,670	1,811	2,355	164,323

Source: Productivity Commission (2017)

Note: While the RoGS identifies these data as representing "public housing" waiting lists, where single waiting lists covering the whole of the social housing sector have been adopted, the reported numbers effectively relate to the social housing sector, rather than public housing per se. All states and territories other than South Australia have now adopted single waiting list arrangements, albeit that these came into effect at different times.

³¹ This is the most recent date from which published national data are available,

³² Note that this is public housing stock only – i.e. it excludes stock managed by other social housing providers.

³³ Note that the DHHS Annual Report 2015-16 lists the number of public housing waiting list applicants as 32,250 at 30 June 2016. This is considered the correct number by DHHS, with the difference being due to definitional differences.

Table 5 shows the number of new households assisted in each jurisdiction over the same period. It shows that only a very small proportion of new applicants on public/social housing waiting lists are able to be housed each year. Tenants transferring from one public housing property to another were in addition to the waiting list and allocation numbers above. For example, while 31,764 applicants were listed on the public housing waiting list in Victoria as at 30 June 2016, only 3,694 new households were able to be assisted (i.e. moved into public housing for the first time) during 2015 – 16. This is equal to around 11.6 per cent of the number of applicants listed on the waiting list. Table 9 shows that nearly 84 per cent of these allocations of housing were made to households in greatest need (i.e. from the priority access categories).

Comparisons of the number of new households assisted with the number of applicants on waiting lists for the other Australian States and Territories shows that all jurisdictions are in a broadly similar position in relation to excess demand for social housing.

Table 5 – Total new households assisted

Year	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aust
2015-16	6,166	3,694	4,086	2,816	2,051	658	591	440	20,502
2014-15	6,445	3,990	3,930	2,911	2,601	652	553	328	21,410
2013-14	5,989	4,202	3,656	2,657	2,160	998	608	341	20,611
2012-13	6,191	4,112	4,064	2,567	2,445	971	628	321	21,299
2011-12	6,505	4,013	3,470	2,929	2,383	929	695	441	21,365

Source: Productivity Commission (2017)

Table 6 shows that the 11.6 per cent of total waiting list applicants housed for the first time in 2015-16 was slightly higher than the 10.4 per cent of applicants newly housed in NSW, but slightly below the national average figure of 13.9 per cent. The proportion of waiting list applicants newly housed has been broadly consistent over the past five years in most jurisdictions³⁴.

Table 6 – Proportion of total waiting list applicants newly housed, by State/Territory and year

Year	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aust
2015-16	10.4%	11.7%	34.9%	15.6%	10.6%	19.6%	30.8%	16.0%	13.9%
2014-15	11.2%	11.6%	31.3%	12.8%	13.6%	25.2%	23.8%	11.1%	13.9%
2013-14	10.4%	12.1%	24.4%	13.3%	11.1%	44.8%	26.4%	11.0%	13.3%
2012-13	10.7%	11.5%	22.8%	12.1%	12.5%	52.4%	28.1%	11.5%	13.4%
2011-12	12.3%	10.9%	14.4%	12.8%	11.6%	34.8%	38.4%	18.7%	13.0%

Source: Productivity Commission (2017)

Table 7 shows that all jurisdictions are experiencing a high number of new applications for public housing from priority applicants (i.e. those defined as being in greatest need by the Productivity Commission). While there has been some reduction in the number of new applications from people in greatest need categories in recent years, there were 37,897 new applicants in these categories nationally in 2015 – 16 and 8,995 new applicants in these categories in Victoria the same period.

³⁴ The main exceptions are Queensland, which has substantially improved the proportion of applicants being newly housed, and Tasmania, which has seen significant decline in this proportion.

Table 7 – Total new greatest need applicants on public housing waiting lists³⁵

Year	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aust
2015-16	8,542	8,995	10,288	3,144	3,379	1,817	1,097	645	37,897
2014-15	8,990	9,776	10,850	3,380	3,203	1,153	1,526	687	39,565
2013-14	10,726	9,852	12,993	2,884	2,925	1,581	1,607	656	43,224
2012-13	13,717	10,354	15,457	3,007	2,306	1,430	1,565	757	48,593
2011-12	15,182	10,169	20,427	3,177	2,579	1,853	1,344	622	55,353

Source: Productivity Commission (2017)

Given the context of significant excess demand for public housing, as well as strong demand from those groups in greatest need, all Australian State and Territory governments have adopted policies which give priority in the allocation of public housing to these groups, as discussed below.

Interstate practice

According to the Productivity Commission:

“State and Territory governments prioritise access to social housing in ways that generally reflect the urgent need to address homelessness and applicants’ inability to access appropriate private market accommodation. States and territories other than SA have adopted social housing waiting lists that are integrated across public housing, SOMIH³⁶ (where applicable) and community housing. Victoria introduced an integrated waitlist in October 2016.” (RoGS (2017), p 18.6)

Groups that are considered to be in greatest housing need– i.e. those who suffer the greatest adverse impacts due to their inability to obtain adequate and affordable housing – have been accorded priority in the allocation process. As a result of these policies, data show that a substantial majority of allocations of social housing are made to priority applicants in Victoria in recent years Table 3.5 shows that the proportion of public housing allocations to this client group has steadily increased over the past five years and stood at 83.8 per cent in 2015-16.

Table 8 – Proportion of public housing allocations to households in greatest need – Victoria³⁷

2011-12	2012-13	2013-14	2014-15	2015-16
70.8%	76.7%	79.4%	82.1%	83.8%

Source: Productivity Commission *Report on Government Services 2017*. Table 18A.9.

Table 9 provides the equivalent data for the community housing sector. It shows that the proportion of community housing allocations made to clients in greatest need has historically been slightly higher than in the public housing sector, but that these relative proportions are now approximately equal.

Table 9 – Proportion of community housing allocations to households in greatest need - Victoria

2011-12	2012-13	2013-14	2014-15	2015-16
83.5%	89.8%	86.9%	84.9%	83.9%

Source: Productivity Commission *Report on Government Services 2017*. Table 18A.11.

³⁵ Note that the PC’s definition of “greatest need” differs from that used in the VHR priority access categories, so that the numbers listed for Victoria differ from those reported by DHHS.

³⁶ SOMIH = State Owned and Managed Indigenous Housing.

³⁷ Refer to footnote 31.

The high proportion of allocations to households in greatest need shown above is broadly reflected at the national level, with 75.1 per cent of new public housing allocations and 83.6 per cent of new community housing allocations being made to those households in greatest need in 2015-16³⁸.

³⁸ Productivity Commission (2017), p 18.9.

Identification and assessment of feasible alternatives

The scope of the Determination

As noted in the Background, above, Section 142E of the Act authorises the Director of Housing to make Determinations to be made in respect of the following matters:

- criteria that must be met by an applicant to be eligible for a tenancy;
- priority categories for the purposes of identifying the relative needs of eligible applicants;
- the housing situation that must be met for a particular priority category to apply to an applicant;
- any other matter to which the Director and authorised persons must have regard when performing functions or exercising powers in relation to the Victorian Housing Register.

The current determination addresses the first three of these matters. Given the authorised scope of the Determinations that can be made under the authority of Section 142E, the feasible alternatives to be considered in deciding on the content of the new Determination fall within the scope of these matters.

Expected benefits and costs of the Determination

This RIS does not attempt to quantify in monetary terms the costs and benefits of the proposed determination on the community, nor the social housing providers, either with respect to the current Determination, nor the proposed Determination.

This reflects the nature of the Determination, which specifies the eligibility criteria and the prioritisation of social housing applicants. The costs and benefits are instead addressed in qualitative terms. The VHR itself is expected to deliver efficiencies to DHHS and social housing providers through the provision of a single, consolidated list of applicants.

Expected benefits

Overview – benefits of the Victorian Housing Register (VHR)

Victoria's approach in segmenting its priority waiting list into categories recognises that its arrangements must prioritise those in greatest relative housing need. Victoria's approach under the SWL and current Director Determinations is to have a transparent prioritisation of circumstances.

Alternative approaches in other jurisdictions (e.g. England) may operate priority as a scale rather than a stratified waiting list, however these jurisdictions typically have significant supplies of social housing relative to Australian supply. Another approach is to use a points based system of rating each application (as used in Northern Ireland). The risk associated with this is that a household circumstance may not be sufficiently transparent to create equity relative to housing need.

By aligning access to housing with support access, Victoria maximises value of investment in services and optimises potential outcomes for clients housed through the VHR.

As noted in earlier, the Housing Determination is intended to enable and support the operation of the Victorian Housing Register. The VHR is intended to yield both efficiency and equity benefits in relation to applications for, and allocations of, social housing. From the perspective of applicants, there are significant efficiency benefits in only being required to make a single application in order to be considered by all participating Victorian social housing providers when allocation of housing units is undertaken. From the perspective of social housing providers, the VHR ensures that they are aware of all qualified

applicants when determining housing allocations. This, in turn, helps to ensure that allocations are made to the households in greatest need. The benefits associated with social housing are thereby expected to be increased.

The government's *Homes for Victorians* policy document describes these benefits in the following terms:

*"The new online Victorian Housing Register will make applying for social housing assistance easier. Bringing together all public and community housing waiting lists into a single place, it means Victorians in need of housing only have to provide their details once, instead of contacting individual agencies. Through a single online application, the Victoria Housing Register will provide a fair and easy way for people to access a range of social housing options."*³⁹

As part of the implementation of the VHR, the government is requiring participating organisations to allocate a defined proportion of their social housing vacancies to priority applicants on the register, by making this a condition of eligibility for participation in the new social housing funding initiatives contained in the *Homes for Victorians* policy. The Housing Determination supports this move to allocate the majority of social housing to priority applicants by establishing an agreed set of priority categories and eligibility requirements to be used throughout the social housing sector. By doing so, it ensures that the decisions made by the social housing sector in relation to eligibility for, and allocation from, the VHR are made in a consistent, transparent and accountable way. It also ensures that the prioritisation of some groups, such as people 55 years and over, is accorded in a manner that is consistent with the exemptions contained in the *Equal Opportunity Act 2010* and the *Age Discrimination Act 2004*.⁴⁰

Another benefit associated with the adoption of the VHR, which was identified by the Victorian Auditor-General (VAGO) in 2017, is that it provides a clearer picture of the demand for social housing. VAGO stated in its public housing audit 2017 that:

*"In September 2016, DHHS launched the Victorian Housing Register, which aims to consolidate the former public housing and community housing waiting lists. The new register improves on prior arrangements in two key ways. First, new applicants need only apply once for public and community housing using an online application form. Second, consolidating the various waiting lists gives a clearer picture of social housing supply and demand."*⁴¹

Specific benefits of the Housing Determination

The specific function of the Housing Determination is to identify the categories of applicants for social housing who will be given priority and to establish the specific income and asset limits that determine eligibility for social housing in both priority and register of interest categories.

The specific benefits of identifying these priority categories and establishing income and asset limits relate to the development of agreed views among all social housing providers as to which groups in society should be eligible for social housing and, thus, how the available stock of social housing should be allocated. Of particular importance, as noted above, is that the Determination supports the government's policy of giving a high degree of priority in social housing allocations to those in the greatest need. The priority access categories established in the Determination are the result of an extensive process of consultation with social housing providers and reflect a consensus view on this issue.

³⁹ Government of Victoria (2017). *Homes for Victorians*, p 35.

⁴⁰ See Victorian Housing Register and Other Matters Bill 2016, Second Reading Speech, Martin Foley, Minister for Housing, Disability and Ageing, Hansard, 26 October 2016, <[http://hansard.parliament.vic.gov.au/search/?LDMS=Y&IW_FIELD_ADVANCE_PHRASE=be+now+read+a+second+time&IW_FIELD_IN_SpeechTitle=Housing+Amendment+Victorian+Housing+Register+and+Other+Matters+Bill+2016&IW_FIELD_IN_HOUSEN AME=ASSEMBLY&IW_FIELD_IN_ACTIVITYTYPE=Second+Reading&IW_FIELD_IN_SittingYear=2016&IW_DATABASE=*>](http://hansard.parliament.vic.gov.au/search/?LDMS=Y&IW_FIELD_ADVANCE_PHRASE=be+now+read+a+second+time&IW_FIELD_IN_SpeechTitle=Housing+Amendment+Victorian+Housing+Register+and+Other+Matters+Bill+2016&IW_FIELD_IN_HOUSEN AME=ASSEMBLY&IW_FIELD_IN_ACTIVITYTYPE=Second+Reading&IW_FIELD_IN_SittingYear=2016&IW_DATABASE=*).

⁴¹ Victorian Auditor-General's Office (2017), *Managing Victoria's Public Housing*, page 31, <<https://www.audit.vic.gov.au/report/managing-victorias-public-housing>>.

Similarly, the income and asset limits identified are broadly supported within the sector as being appropriate means of identifying households that, because of their lack of financial resources, have very limited access to appropriate accommodation options within the private housing market. Ensuring that priority access to social housing takes account of this factor helps to ensure that housing allocations go to those in greatest need and, as a result, but the benefits of social housing provision are maximised.

The basis for determining the specific income and assets limits adopted in the Determination is discussed in the following sections. This discussion also identifies the options considered in relation to each of the main elements of the Determination (i.e. the income limits, asset limits, and priority categories), sets out the relative merits of each and clarifies the basis for choosing the options that are reflected in the proposed Determination.

Options in relation to income limits

Three feasible options have been identified in respect of the income limits for eligibility for the VHR to be set in the proposed Determination. These are:

- **Option 1** – Retain the existing limits
- **Option 2** – Modify the existing limits to more accurately reflect the higher costs incurred by applicants with large families
- **Option 3** – Adopt the income limits established by the Federal government in respect of the NRAS (for RoI applicants) and low-income healthcare card (priority applicants).

Other options for changing income limits have not been considered, as the practice of aligning with Centrelink limits is longstanding and it ensures an alignment between client incomes, their eligibility for Commonwealth Rental Assistance, noting that almost all clients of social housing providers are already Centrelink clients. It is therefore logical to retain the existing benchmarks against eligibility for Centrelink services rather than to create new artificial and arbitrary benchmarks.

Option 1 – Retain the current income limits

The current Determination includes two sets of income limits: those applicable to priority applicants and those applicable to other (i.e. Register of Interest) applicants. The income limits applicable to priority applicants are significantly more restrictive, as shown below. This is consistent with the policy imperative of ensuring that housing allocations are primarily focused on those in greatest need.

The income limits contained in the current Determination were carried over from those previously used in the public housing sector. These limits were derived in 1999 by DHHS, in consultation with stakeholders. As part of the process of establishing the VHR, DHHS benchmarked the then public housing and community housing income limits against comparable income limits adopted by the Federal government for its policy purposes. This was done to ensure that no significant inconsistencies are likely to arise in terms of the treatment of client groups in different policy contexts. The Federal government income limits used in this benchmarking exercise were:

- in respect of priority access applicants, those used to determine eligibility for a low income health care card
- in respect Register of Interest (ROI) applicants (i.e. non-priority applicants), those used to determine eligibility for Commonwealth Rent Assistance.

The low income health care card provides free or heavily discounted access to a range of public health services. Commonwealth Rent Assistance is an income supplement payable from Centrelink to eligible people who rent in the private or community housing rental markets.

Register of Interest (RoI) income limits

When the current determination was gazetted, the status of NRAS with regard to the VHR had not yet been resolved. Since then, it has been confirmed that all NRAS properties owned or managed by CHOs should fall within the scope of the VHR.

Table 10 compares the NRAS income limits for 2017-18 with those applied from 1 April 2018 under the current Determination⁴². It shows that the income limits for eligibility for inclusion on the RoI contained in the current Determination are broadly similar to those applied in the context of the NRAS. For almost all family types, the income limits established in respect of the RoI are more generous than those used under NRAS. The difference between the limits is small in the case of single adults (+4.1 per cent) and couples with two children (+5.0 per cent). The difference is more substantial in the case of childless couples, where the RoI limit is 15.3 per cent higher than the NRAS limit, single parent families with one or two children (+55.3 per cent and +25.3 per cent respectively) and couples with one child (+25.4 per cent).

The family types for which the current RoI limit is less generous than the NRAS limit are families with three or more children. A couple with three children faces an income limit under the current RoI provisions that is 9.7 per cent lower than that applicable under NRAS. For couples with more than three children, the gap between the two income limits is larger still, since the RoI income limit does not change for couples with more than two children.

Table 10 – Comparison of NRAS and ROI income limits – current Determination

NRAS weekly income limits (2017-18)		ROI weekly income limits (from 1 April 2018)		Difference		
1 adult	\$953	Single	\$992	+4.1%		
2 adults	\$1,317	Couple, no children	\$1,518	+15.3%		
Single parent with 1 child	\$1,318	Family (one or two parents) with dependent children	\$2,047	+55.3%		
Single parent with 2 children	\$1,634			+25.3%		
Couple with 1 child	\$1,633			+25.4%		
Couple with 2 children	\$1,949			+5.0%		
Couple with 3 children	\$2,266			-9.7%		
Each extra child, add \$316						

Priority access income limits

Table 11, below, makes the equivalent comparison in respect of the income limits for priority access to the waiting list. It compares the weekly income limits set by the Federal government in respect of access to low income health care cards with those relating to priority access applying from 1 April 2018⁴³ under the current Determination. In all cases the differences are very small. Indeed, they are somewhat smaller than those identified above, being less than 2 per cent in most cases and a maximum of only 5.5 per cent, in the case of a single parent with one dependent child. This slightly larger difference reflects the fact that the income limits set in the Determination do not differentiate between couples with children and single parents with children, whereas the healthcare card limits do.

⁴² A 1.1 per cent increase was applied from this date, as a result of the six-monthly indexation provisions of the Determination, discussed above.

⁴³ Following application of the 1.1 per cent six-monthly indexation provision contained in the Determination.

Table 11 – Comparison of Low income healthcare card weekly income limits vs priority access income limits — current Determination⁴⁴

Status	Healthcare card limit ⁴⁵	Priority access income limit ⁴⁶	Difference
Single, no children	\$546	\$555	+1.6%
Couple, no children	\$943	\$959	+1.7%
Single, one dependent child	\$943	\$995	+5.5%
Couple, one dependent child	\$977	\$995	+1.8%
Each additional child	\$34	\$35	+2.9%

Position of priority access applicants

As shown in table 11, above, the current income limits for priority applicants are in all cases, at least as generous as those applied by the Federal government in respect of the low income healthcare card. Consequently, DHHS's view is that no change would be required to these income limits under this option.

Expected benefits of option 1

Maintaining the income limits set out in the current Determination has the benefit of maintaining continuity in policy settings. This consideration is of relevance particularly because the current determination has been in force only since May 2017, as noted above. The current limits were adopted after being benchmarked against relevant Federal government income limits and were found to be broadly consistent with them. This broad consistency in the income-based eligibility criterion can be seen as desirable on equity grounds.

As noted above, the income limits established under the Determination are, in almost all cases, slightly more generous than the equivalent limits established by the Federal government. Thus, for most family types, those who are eligible for Commonwealth Rent Assistance, as well as the NRAS will also be eligible to be registered on the VHR under the RoI provision, while those who are eligible for a low income health care card and are a member of a priority access group will be eligible for priority listing on the VHR.

Expected costs of option 1

The key problem associated with maintaining the income limits established in the current Determination is that the income limits applicable to the RoI category do not currently take account of the circumstances of larger families. That is, the income limit applicable in this category is the same, regardless of whether family has two, three, four or more children.

Comparison with the approach to eligibility taken under the NRAS scheme shows that the latter acknowledges the higher costs of living borne by larger families and applies higher income limits based on the number of children in a family. Failure to address this issue would perpetuate this inequality and result in NRAS properties being unviable for CHOs or financially unaffordable for households due to constrained income limits.

A second issue identified above, is that the RoI limits are in some cases substantially higher than those adopted for NRAS purposes. This arguably suggests that the income limits are less tightly targeted on those in greatest need than might be the case. While only a minority of allocations (around 16.1 per cent

⁴⁴ Department of Human Services, Australian Government, viewed 16 February 2018, <<https://www.humanservices.gov.au/individuals/enablers/income-test-low-income-health-care-card>>

⁴⁵ *ibid.*

⁴⁶ DHHS, State Government of Victoria, viewed 1 April 2018, <<http://www.housing.vic.gov.au/social-housing-income-and-asset-limits>>

in 2015-16, as shown in Table 8, above) are made to RoI applicants, the RoI income limits are also used in determining eligibility for two priority categories⁴⁷, as shown in Table 3.

The inclusion of some higher-income groups within the income eligibility limits might delay allocations to lower-income applicants to some degree but typically the income for these clients to sustain private rent will not be sufficient in any case.

Option 2 – Revise the current RoI limits to better address the circumstances of larger families

As table 10 indicates, the ROI income limits contained in the current Housing Determination are, in general, more generous than those applied by the Federal government in the context of the NRAS. However, the income limit is capped at \$2047, regardless of number of children, so while the income limit applying under the Determination is more generous than the NRAS limits for families with one to two children, this is not the case for families with three or more children who face a lower income limit relative to the NRAS income limit (with the scale of difference increasing as the size of the family increases beyond three children).

Thus, there is an argument for moving to more closely align the two sets of income limits by adopting an increase to the RoI family income limit for each extra child (after the first two) in the proposed Housing Determination.

Table 12, below, sets out a modified set of income limits that addresses this issue. The income limits contained in the current Determination would generally be maintained; the only change that would be made to the existing limits is that the income limit would be increased by \$332⁴⁸ for each dependent child after the first two. This would mean that, consistent with the inclusion of NRAS properties within the scope of the VHR, the income limit for larger families would increase by a similar amount per child to that set under NRAS. The \$332 increase in income limit per child is 5.1 per cent higher than the NRAS increase of \$316, reflecting the difference between NRAS couple with two children limit and the RoI family limit.

Table 12 – Comparison of NRAS and ROI income limits – proposed Determination

NRAS weekly income limits (2017-18)		ROI weekly income limits – Option 2		Difference
1 adult	\$953	Single	\$992	+4.1%
2 adults	\$1,317	Couple, no children	\$1,518	+15.3%
Single parent with 1 child	\$1,318	Family (one or two parents) with up to two dependent children	\$2,047	+55.3%
Single parent with 2 children	\$1,634			+25.3%
Couple with 1 child	\$1,633			+25.4%
Couple with 2 children	\$1,949			+5.0%
Each extra child, add \$316		Each additional child, add \$332		+5.1%

Under this option, the income limits applying to larger families would be quite closely aligned with those applied under NRAS, for example, the limit for a family with three children would be 5.0 per cent higher

⁴⁷ Emergency management housing and priority transfers.

⁴⁸ This amount (\$332) is arrived at after applying the indexation of 1.1 per cent to \$328. \$328 is the amount of increase in the income limit that would apply prior to 1 April 2018, and is 3.8 per cent higher than the \$316 allowance for extra children, which is consistent with equivalent (pre-1 April 2018) RoI income limit for a family with (two) children being 3.8 per cent higher than the NRAS limit for a couple with two children.

than that applied under NRAS. This is similar to the current position in relation to couples with two dependent children.

However, the limited nature of the change proposed means that the RoI income limits applicable to some household types would remain somewhat more generous than the NRAS equivalents. This relates in particular to single parents with one or two children, who would face income limits that are 55.3 per cent and 25.3 per cent higher than the NRAS equivalents, respectively, and childless couples, who would face limits 15.3 per cent higher.

Expected benefits of option 2

The key benefit of option 2 is that it would better recognise the circumstances of families with larger numbers of children, by adopting higher income limits for this group which better reflect the higher cost of living that they face, vis-à-vis smaller families. This would make the structure of the income limits more equitable overall. A related benefit is that adopting option 2 would bring the structure of the income limits under the Determination into closer alignment with the NRAS limits, ensuring that all NRAS properties owned or managed by CHOs fall within the scope of the VHR.

Limited data is available on the likely size of the impact of making such change. However, national level data for 2016, published by the Australian Institute of Health and Welfare (AIHW)⁴⁹ shows that only 19.4 per cent of social housing tenant households have dependent children. The proportion with three or more dependent children would necessarily be only a subset of this group: overall, only 10 per cent of Victorian households comprise five or more people⁵⁰, while currently, only 5 per cent of VHR applications are for households of three children or more. Consequently, a limited change to the income limit applied to this group is likely to have only a limited impact on access to the VHR in practice.

Expected costs of option 2

Adopting option 2 would tend to increase the number of applicants for social housing listed on the VHR, since it would expand eligibility amongst families with three or more children. Importantly, to the extent that there is a negative consequence in terms of increased average waiting times, this would be the product of adopting a more equitable approach to the issue of eligibility thresholds. Average waiting times for those approved for priority access would not be affected.

Another, arguable cost arises from the fact that the limited nature of the changes to the income levels proposed under Option 2 means that the relatively large differences in income limits between NRAS and the Determination for some childless couples and single parents with one or two children would be retained. This could be interpreted as entailing a continuation of a negative equity impact – i.e. as implying that these limits imply that eligibility is not sufficiently well-targeted under the Determination.

However, DHHS believes that the continuation of the current income limits for these groups is appropriate. This reflects the fact that the original decision to adopt identical limits for couples and single parents with the same number of children was the result of a view being taken that single-parent households typically incur the same level of housing, utility and child-based costs as dual-parent households. In particular, in each of these scenarios, the household will be seeking to access a two or three bedroom property. There are also potentially other costs that might be incurred by a single parent household (such as a higher need for child care or out-of-school care) that a dual parent household may be more able to avoid.

⁴⁹ AIHW (2017), **Housing Assistance in Australia 2017**, <<https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2017/contents/social-housing-tenants>>

⁵⁰ See [community profile, 2016 Census](https://profile.id.com.au/australia/household-size?WebID=110), <<https://profile.id.com.au/australia/household-size?WebID=110>>.

Option 3 – Align the VHR to the Commonwealth Rent Assistance, NRAS or Low Income Healthcare Card income limits

This option would involve changing the ROI income limits applicable under the current Determination to match Commonwealth NRAS income limits and changing the income limits applicable to ‘priority categories’ under the current Determination to match income limits specified for access to the Low Income Healthcare Card’

However, it is not possible to adopt the Commonwealth Rent Assistance/ NRAS/Low Income Healthcare Card limits “by reference” in the Determination as there is no explicit power to do so under the Housing Act 1983. That is, it is not possible simply to specify in the determination that the applicable income limits will be those established under the Federal government programs from time to time.

The consequence of this advice is that it would be necessary to formally specify income limits set at the same level as those established in these programs in the body of the Determination. This would also imply the need to ensure that the amounts specified in the Determination were updated from time to time to maintain consistency with the NRAS and low income Healthcare card limits. Current practice is that these limits are indexed annually in line with the All groups Consumer Price Index (CPI)⁵¹. Thus, it would appear to be feasible to maintain parity with the Federal income limits by specifying the equivalent indexation arrangements in the Determination. It is DHHS’s view that the principle advantage of the Determinations will create certainty and avoid when changes are made relating to Commonwealth income support which would impact VHR eligibility.

Expected benefits of option 3

This option would have the benefit of fully aligning the income limits contained in the Determination with these relevant federal government benchmarks. This would potentially make the question of eligibility for various programmes clearer and more readily understandable for clients. In addition, specifying indexation in line with the CPI would ensure that the income limits maintained their real value over time. By contrast, the current provision of a twice annual increase in the limits by 1.1 per cent provides only a proxy for cost of living adjustment and could, potentially see the real value of the income limits fall, should inflation rates increase from the current low levels.

Importantly, when compared with the option of maintaining the current income limits in respect of the RoI, adopting option 3 would better address the higher costs of living of larger families with three or more children by applying higher income limits to them than to smaller families.

Expected costs of option 3

Adopting option 3 would have the effect of tightening the current income eligibility requirements in relation to the RoI for childless couples, since the relevant NRAS limit is around 15 per cent below the current RoI income limit, as discussed above. It would substantially tighten the current income eligibility requirements of single parents with one child on the RoI, as the current Determination’s income limits are around 55 per cent higher than those applied under NRAS. For single parents with two children and couples with one child, the income eligibility requirements would be somewhat tightened under this Option, given that the current Determination’s income limits are around 25 per cent higher than those of the NRAS⁵².

In addition, adopting the approach of fully aligning the VHR income limits with those adopted by the Federal government would, at least arguably, tend to reduce the likelihood that the income limits would

⁵¹ Department of Social Services, Australian Government, viewed 16 February 2018, <<https://www.dss.gov.au/our-responsibilities/housing-support/programs-services/national-rental-affordability-scheme/national-rental-affordability-scheme-nras-household-income-indexation>>.

⁵² These comparisons are set out in Table 10.

be varied over time to take into account any further significant increases in the cost of housing, particularly in metropolitan Melbourne.

Given that a key objective of the VHR is to have all social housing managed by Public and Participating Registered Agencies, option 2 is preferred as it brings NRAS in scope and does not financially disadvantage low income earners and better supports the financial viability of Community Housing Organisations who are dependent on rental income to maintain payments of debt incurred in the development of new social housing stock.

Options in relation to asset limits

Two feasible options have been identified in respect of the setting of asset limits as part of the proposed Determination:

- **Option 1** would involve retaining the existing asset limits.
- **Option 2** would increase the limit, in recognition of the practical impact of the key features of the current housing market on this group and the likely benefits of moving to slightly higher asset limits and further make an addition of an amount sufficient to cover the costs of terminating a tenancy and establishing another

By contrast, no case for reducing any of the current asset limits has been identified via the preliminary analysis undertaken given that the lower limit under the SWL had not been indexed since 1 January 1999, in a time where that has been an increase to living costs especially those in the private rental market. Therefore, no other feasible options are identified or analysed in this section.

Option 1 – Retain current asset limits

The VHR asset limits have been set on the basis of a modification of the asset limit formula used in respect of public housing access since 1997. This is based on determining the cost of securing appropriately-sized housing in the private rental market. The approach taken is to determine the difference in cost between the average rent paid by a single parent with two children in public housing, and the rent payable for a three bedroom property at the 25th percentile in the private market. This cost differential is calculated over differing periods for different groups: as shown in table 13, below, the time periods used are six months for priority applicants, three years for RoI applicants and ten years for applicants for whom full disability modifications are required in order to make a rental property accessible. These different time periods reflect how long a household may be able to sustain itself in the private rental market if they were to use their savings to supplement their income to do so.

Table 13 – Asset limit calculations – current VHR

Application type	Time period for calculation	Asset limit (from 1 April 2018)
Priority access	6 months	\$5,379
Register of interest	3 years	\$32,276
Disability modifications	10 years	\$107,588

The asset limits shown in Table 13 are indexed to increase by 2.4 per cent each April, to reflect expected average increases in the cost of private rental⁵³.

⁵³ The actual indexation amount of 2.4 per cent was arrived at as the average state-wide annual percentage change in median rents over five years.

Expected benefits and costs of option 1

The current asset limits have only been in place since September 2016. Thus, the retention of this approach, as implied by option 1, will provide policy stability and ensure that the asset limits contained in the proposed Determination, and their derivation, are well understood by all affected agencies. Moreover, the rationale underlying these asset limits is generally well accepted among stakeholders.

The primary problem identified in terms of the application of the formula to priority access applicants in the context of the current housing market. As noted above, the current Priority Access asset eligibility limit is based on an ability to maintain a tenancy in the bottom 25th percentile of the private rental market for a period of six months. However, a large majority of private rental offers involve a lease period of 12 months. Thus, the application of the current formula is likely to screen out numbers of households in need whose assets are insufficient to enable them to supplement their income to maintain private rental housing over a standard 12 month lease period.

Option 2 – Increase the asset limits for priority access groups

In recognition of the above issues, the following increases of the Priority Access category asset limits have been considered:

- (a) Increase the current limit to an amount calculated as being equal to the cost of maintaining a tenancy in a three-bedroom property in the bottom 25th percentile of the private rental market in metropolitan Melbourne for 12 months, (instead of six months as applies under the current Determination). This would leave the applicant with minimal savings at time of their allocation of social housing
- (b) Increase the limit as above and further make an addition of an amount sufficient to cover the costs of terminating a tenancy and establishing another. For example:
 - Removals – estimated at \$700.00
 - Rent in Advance - estimated at \$800.00
 - Ancillary Costs - estimated at \$500.00.

This would be done as rent is not the only cost required to supplement in transitioning from private to social housing, in addition they may incur costs associated with new tenancy.

Table 11 compares the current asset limit for priority access to the VHR with those that would result from the adoption of one or both of the above options.

Table 14 – Options in relation to the priority access asset limit

	Current	Increase type A	Increase type B
Asset eligibility limit	\$5,379*	\$10,758	\$12,758

* This is the priority access asset limit as of 1 April 2018.

Discussion

Increase type A is based on a modified version of the existing methodology for determining the asset limit which recognises both the fact that tenancy agreements typically have a 12 month duration and the fact that waiting times for priority access to social housing are currently closer to this 12 month standard lease duration than to the six months period that was used as the basis for calculating the current asset limit. The implication of adopting Increase type A there for is that the asset limit would double from its current level of \$5,379 to \$10,758.

As shown in table 11, increase type B would involve increasing the asset limit for priority access applicants to \$12,758. This represents an increase of around 137 per cent, by comparison with the current asset limit of \$5,379.

Expected benefits and costs of option 2

As noted, adopting increase type A would have some benefits in terms of removing an implicit presumption that only households living in extreme poverty are eligible for priority access to public housing by virtue of the asset limit requirement. It would not address the more substantial issue identified above, that the current limits potentially screen out significant numbers of otherwise eligible applicants who are unable to finance private rental accommodation from their savings over a standard 12 month lease period. Given this, increase type B is considered to be clearly superior to increase type A. That is, while it would broaden access to the priority waiting list to some extent, the additional households who would become eligible by virtue of this change would clearly meet the criterion of being a household in greatest need.

Increase type B would achieve slightly higher benefits than increase type A as it would allow some additional high need households to be eligible for priority access. It would recognise that not only do these applicants need to sustain themselves in private rental for 12 months but also incur additional costs in establishing a tenancy. If not recognised it could mean these costs could be supplemented by forgoing rental payments. In favour of this approach, it can be noted that the targeted nature of eligibility for the Victorian Housing Register implies that households applying to the Priority Access list are at a significant disadvantage in the private rental market and that their cash reserves cannot, or will not, materially improve their prospects of securing private rental housing. This, in turn, means that social housing is the only viable long-term housing option for this group and that excluding them from eligibility in the short term, due to their possession of a slightly larger asset pool is not obviously consistent with the underlying objective of ensuring that social housing is appropriately targeted.

This implies that the main determinant of disadvantaged households being approved to Priority Access would continue to be their housing and support needs, and that the adoption of the revised asset eligibility limits implied by the increase type B would have minimal impact on the volume of applicants to the Priority Access list.

Options in relation to priority access

In order to assess the feasibility of different options in relation to the priority access categories to be identified in the proposed Determination, consideration must be given to the background to, and rationale for, the adoption of the current priority access categories. These issues, and therefore the expected benefits and costs of retaining these without change (**option 1**) in the proposed Determination, are discussed below, while the question of whether it is feasible and appropriate to adopt any changes to the current priority access categories is considered over the page.

Given that priority categories have only been in place since October 2017, it is the view of the VHR Senior Leadership Group and DHHS that it would be premature to make changes until the effectiveness of these can be reviewed and evaluated. Consideration would also need to be given to the impacts on existing applicants were priority categories to be removed. Thus, the discussion only considers the question of whether any additional priority access categories should be adopted as part of the proposed Determination.

Option 1 – Retain the current priority access categories

Expected benefits and costs of Option 1

Several benefits of retaining the existing priority categories have been identified, as follows:

- First, the current set of categories are aligned to both Commonwealth and State priorities in terms of addressing homelessness, tackling family violence and the implementation of the NDIS. In general terms, there is clearly merit in ensuring alignment between the policy approaches taken by different levels of government.

- Second, they draw on long established arrangements which have been progressively refined over time.
- Third, the arrangements were developed through an extensive consultation process that was undertaken following the announcement, in September 2015, of the creation of the VHR and have strong stakeholder support.

Given that the VHR places highest priority on those unable to live in social housing; for safety reasons, due to redevelopment of their home, those experiencing homelessness and family violence, there would be significant costs if any change were to occur without due consideration. A change of priority could increase the costs of homelessness or family violence, through a higher demand on healthcare, crisis accommodation, support services, and so on⁵⁴. Further significant capital implications to Government would occur were there to be delays in the transfer of tenants whose properties require redevelopment.

Moreover, given that the current VHR has been in operation for less than one year, there is, as yet, little experience to draw upon in assessing its practical performance and, by implication, the need for any changes. Any such changes would need to be analysed carefully in terms of their relative impacts on different types of household, relative to overall social housing priorities and any potential impacts on other programs and clients. This would be difficult to achieve in the context of the limited experience with the implementation of the current arrangements.

Expand the range of priority access categories

As noted above, eligibility to apply for public housing has historically been determined by the question of affordability. That is, the eligibility requirements in relation to income have been set at levels that are intended to enable those people who have limited access to the private rental market, and are likely to find themselves in housing stress⁵⁵, to seek public housing.

However, as discussed above, the focus of public and community housing provision has increasingly moved toward addressing specific priority needs within this low income group. That is, priority access categories have been developed in order to identify those who are in greatest housing need and address those needs. The underlying philosophy is that allocation should be based on consideration of individual's relative housing circumstances. The identification of specific categories of client in this context is based on acceptance of the fact that virtually all individuals within these categories will demonstrate high levels of housing need.

Historically, there have been calls for groups to be specifically identified as meriting priority access, for example including people with mental health issues, people with HIV, on the basis of falling within that category, rather on the basis of their individual relative housing need. However, such a step would involve a fundamental change in the allocation philosophy for public housing. Given the likely impacts in reducing access for other, current priority groups, DHHS does not believe that such an approach would yield improvements in the overall ability of the system to address the needs of people in the greatest housing need.

As outlined in the Client Profile section (page 25), family violence and people aged 55 years and over have shown a housing need for priority access. Family Violence has been shown to be a leading cause of homelessness in Victoria. There has also been recent research that shows there is an increase in poverty and vulnerability that can lead to homelessness for people 55 years and over.

⁵⁴ Berry, Chamberlain, Dalton & Berman (2003), **Counting the Cost of Homelessness: A Systematic Review of Cost Effectiveness and Cost Benefit Studies of Homelessness**, AHURI, <<https://www.ahuri.edu.au/research/other-reports/counting-the-cost-of-homelessness-a-systematic-review-of-cost-effectiveness-and-cost-benefit-studies-of-homelessness>>.

KPMG (2017), The cost of family violence in Victoria, Victorian Government, <<https://www.vic.gov.au/familyviolence/cost-of-family-violence.html>>.

⁵⁵ Typically defined as a situation in which housing costs exceed 30 per cent of disposable income.

Amending the range of priority access categories

As noted in the Expected benefits of the VHR (page 34), there are other jurisdictions that view priority as a single grouping, rather than outlining priority categories as they are listed in the current and proposed determinations.

Any change to current arrangements would require approximately 35,000 applications to be reprioritised with significant impact on individual households and their potential to be housed in relation to their relative greater need over other households. For example, households currently in private rental with children sharing a bedroom with an adult, on the basis of effective date, would be prioritised over street homeless or family violence applicants.

Finally, as already outlined in the Expected benefits of the VHR the public costs would be very significant; given the recent establishment of the VHR, such an arrangement would be premature without effective analysis and review.

Adapting these approaches would conflict with the national approach to family violence and homelessness, which is not supported by the Senior Leadership group nor DHHS.

When the VHR was introduced in 2016, many existing social housing tenants with an urgent need to transfer to another unit were moved up to the Priority Transfers category from the Special Housing Needs category, such as those facing safety issues.

In addition to the group above, it has since been identified that a number of existing tenants within the Supported Housing priority access category – the fourth highest category on the VHR — also need to move up to the Priority Transfers category as they require properties with full or major disability modifications.

Given the urgent nature of their housing needs, and DHHS' obligations as a social landlord, it is considered appropriate that these tenants should be eligible for the higher priority transfers category – the second highest category on the VHR – so they can be placed into appropriate, accessible housing as soon as possible.

Conclusion

In considering the design of the proposed Housing Determination, options in terms of all three key elements which it addresses – i.e. income limits, asset limits and priority access categories – have been identified and assessed. It is proposed to adopt a new Determination which is broadly similar to the current Determination, but which differs slightly in respect of some income and asset limits. The proposed changes, vis-à-vis the current determination, are summarised in table 15, below. An exposure draft of the proposed Determination is also attached as Appendix 1.

Table 15 – Summary of proposed changes to the provisions of the current Housing Determination

Item	Proposed change ⁵⁶
Income limits – priority access	No change
Income limits – RoI	Increase current income limit by \$332 per week for third and each subsequent child
Asset limit – priority access	Increase limit from current \$5,379 to \$12,758
Asset limit – RoI	No change
Asset limit – disability modifications	No change
Priority access categories	Existing tenants approved to Supported Housing to be moved up to the Priority Transfers category if they require properties with full or major disability modifications

Table 15 shows that the only changes proposed to the current Determination are to:

- increase the income limit for RoI applicants with three or more children by \$332 per week for each child after the second child; and
- increase the asset limit for priority access applicants from the current \$5,379 to \$12,758.

Increased income limit

As discussed above, the proposed change to the income limits for RoI applicants will better reflect the higher living expenses of larger families by establishing higher income limits for families with more than two children. This change will also better align the income limits set under the Determination with the NRAS limits, which also increase with family sizes.

No change is proposed to the current priority access income limits, as these already provide higher income limits for larger families. Moreover these limits are already closely aligned with the Centrelink Low-Income Healthcare Card income limits.

Increased asset limit

The increase in the asset limit applicable to priority access applicants is intended primarily to reflect the fact that standard residential leases are of 12 months duration, as well as the fact that average waiting times for social housing allocations for priority access applicants are around 10.5 months. The proposed change will imply that a priority access applicant with sufficient assets to enable them to finance a 12 month lease in the lowest priced quartile of the housing market will not be excluded from the priority access waiting list due to the asset limit, as is currently the case. This change is expected to eliminate an anomaly in the current arrangements which has significant potential to cause hardship to some

⁵⁶ Compared with limits set in the current Determination following the application of the 1.1 per cent indexation provision taking effect 1 April 2018.

priority access applicants. The inclusion of an additional \$2,000 allowance in the calculation of the new asset limit will provide some additional assurance that these negative outcomes will be averted in practice, without substantially changing the criteria for access to the priority housing categories.

Priority access categories

No change to the specification of priority access categories, or their order of priority, is proposed. This reflects the fact that these categories were finalised very recently, via an extensive consultative process, and have widespread stakeholder support. DHHS believes that no changes should be considered to these categories until greater experience with the operation of the current arrangements – including the VHR and the Determination – has been accumulated.

Consultation

Overview of consultation during the development of the current Director Determinations

Stakeholders

Since the plan to establish the VHR was first announced in 2015, DHHS has held extensive consultations in partnership with a range of stakeholders about the proposed changes. The VHR was a co-designed process with homelessness and community housing organisations, oversight by a Senior Leadership Group. The Senior Leadership Group consisting of key stakeholders across the sector includes senior managers, directors and CEOs from government departments and social housing. A working group was also established consisting of department operational team leaders and community sector staff whose responsibility is developing the roles and responsibilities in relation to the operation of the VHR.

As noted previously this group has been consulted on all aspects of the development and implementation of the VHR, including changes to operational guidelines, policies and procedures. Input has also been obtained from a wide range of stakeholders to create an environment of 'co-design'. A number of workshops have been held regarding specific client groups to ensure that those in greatest need were captured in the structure of the VHR. The eligibility criteria and priority categories described in the Director Determinations are the result of this co-design process.

The process has been highly collaborative with both internal divisional staff and community sector input resulting in the VHR. The group has enabled government departments, advocacy groups, peak bodies and the social housing sector in general to participate in the establishment of the VHR.

Social housing providers have indicated that they are strongly in favour of the VHR and have generally supported the content of the Determination. A number of specific concerns have been raised, which are discussed over the page.

Consistent with this approach, prior to commencing the RIS, discussions have occurred within the Victorian Senior Leadership Group, including in particular revisiting previous discussions about the asset limits.

Victorian Government

A range of Government departments were also consulted during the development of the VHR and the current Determination, in order to ensure that their content was consistent with broader Government policy and direction. In particular, the Department of Premier and Cabinet, the Department of Justice and Regulation and the Registrar of Housing Agencies were consulted,, while internal consultation also occurred with relevant divisions of the DHHS.

Advocacy groups and peak bodies

A range of groups who advocate on behalf of Victorians who are homeless, over the age of 55, experiencing family violence, and other vulnerable people were consulted for the design of the overall VHR which flowed into the current Director Determinations and in turn these views have influenced the current determinations founding this RIS. In particular, the following groups were consulted:

- Community Housing Industry Association Victoria (CHIA Vic)
- Council to Homeless Persons (CHP)
- Aboriginal Housing Victoria (AHV)
- Community Housing across the state

- Wintringham — in its broader role as a leading community based provider of services for older persons experiencing homelessness
- Human Rights Commission (Victorian)
- Council on the Aging (COTA)
- Victorian Council of Social Service (VCOSS)
- Housing for the Aged Action Group.

In addition, throughout the implementation of the VHR the community housing sector has played an active and ongoing part in the design and development of the VHR and the check and balances that support it. The sector has demonstrated its willingness to partner with the government in relation to the VHR.

Issues Raised by the social housing sector in the development of the overall VHR

It is the view of DHHS that there is a clear distinction to be made between:

- the relative priorities of housing need which is reflected in income and asset-eligibility criteria (which is the subject of this Determination), that applies to all applicants seeking social housing
- the Community Housing Allocations Frameworks which governs participation in the register
- specific allocation policies and practices— which are the responsibility of each Social Housing Organisations according to its own policies and mission.

The social housing sector has demonstrated its willingness to partner with the government in relation to working through this range of matters within the VHR. The issues and how they are proposed to be addressed are as follows:

DHHS proposed a principle of priority allocation of 75 per cent of all stock for each participating CHO, reflecting the policy intention of the Victorian Government for greater targeting of allocations to priority access applicants. Through consultation with the sector, this allocation principle has been targeted to those properties within the scope of the VHR in which the Director of Housing has a financial interest. The Determination does not create a barrier to CHO arrangements given that the overall income and asset limits align to NRAS.

There were concerns from the social housing sector regarding duplication of performance standards with the Registrar of Housing and the VHR, with the potential of duplication in reporting and compliance. DHHS's view is there is a clear contractual distinction between performance standards and obligations with the Director of Housing and again the Determinations are not a factor other than Participating Registered Agencies needing to work within their parameters in regards to eligibility.

Once within the VHR, participating registered agencies must comply with both the performance standard and other requirements set out within the Act and their contractual obligations to the Director including that of the VHR Participation Agreement. The VHR participating Agreement sets out conditions and obligations of participating registered agencies that are required in order to work within the VHR.

Issues were raised about the privacy and confidentiality of client information while participating registered agencies are working from within the VHR. The amendments to the Act, provided for information to be shared in an authorised, transparent and lawful way. As a result, an Information Sharing Arrangements Charter has been established to ensure that authorised users have a clear understanding about what work they are able to undertake within the VHR, that the privacy of individuals is protected and that information on the VHR is accurate and complete. The Information Sharing Charter includes monitoring and auditing to identify security risks, unauthorised access and any act in breach of the law.

Implementation and evaluation

The implementation of the VHR occurred in September 2016, on the basis of new eligibility criteria developed through and endorsed by the Senior Leadership group for access to social housing. While these were initiated as a policy they were later formally established through the Director of Housing Determination on 23 May 2017.

At that time a purpose developed on-line application form together with the adaption of the DHHS IT system (HiiP) was introduced to manage the VHR. HiiP includes the records for each individual VHR application, the category under which it is approved and any other details that affects its place on the VHR.

When CHOs commence working directly from the register, they will access the HiiP system to search for the most appropriate application for allocation to their vacant properties and record the outcome of that process in that single system.

The use of a single register to both manage applications on the basis of consistent eligibility and assessment of relative housing need will provide the basis for better understanding of overall need, and outcomes achieved through the current social housing system.

The capacity to report on both demand (in terms of overall numbers and geographic locations and in terms of categories and desired property sizes) and allocations (in terms of the same factors) from the register will form an evidence base to evaluate the effectiveness of arrangements put in place through the proposed Determination.

It is expected that it will take around six months of work effort to merge all Community housed waiting list applications into the VHR and finalise the completion of a single list (this comprises an application by application reconciliation between each application held on the VHR and any other existing waiting list).

Balancing both the need to give sufficient time to establish the effectiveness of the income and asset eligibility and the priority category (or relative housing need) criteria contained in the proposed Determination with the completion of creating a single register of applications , an evaluation of the VHR in 2020-21 is appropriate with potential to further evaluation at five year intervals subject to the findings in the initial evaluation

Such an evaluation will provide the opportunity, in the context of a broader based evaluation of the VHR implementation and its operation for at least two full years, to update the Director of Housing's proposed Determination, where needed.

It is intended that this would be an independent evaluation oversighted by the VHR Senior Leadership Group.

Statement of compliance with National Competition Policy

The National Competition Policy Agreements set out specific requirements with regard to all new legislation adopted by jurisdictions that are party to the agreements. Clause 5(1) of the Competition Principles Agreement sets out the basic principle that must be applied to both existing legislation, under the legislative review process, and to proposed legislation:

The guiding principle is that legislation (including Acts, enactments, Ordinances or Regulations) should not restrict competition unless it can be demonstrated that:

- (a) The benefits of the restriction to the community as a whole outweigh the costs; and*
- (b) The objectives of the regulation can only be achieved by restricting competition.*

Clause 5(5) provides a specific obligation on parties to the agreement with regard to newly proposed legislation:

Each party will require proposals for new legislation that restricts competition to be accompanied by evidence that the restriction is consistent with the principle set out in sub-clause (1).⁵⁷

Therefore, all RIS must provide evidence that the proposed regulatory instrument is consistent with these National Competition Policy obligations. The OECD Competition Assessment Toolkit⁵⁸ provides a checklist for identifying potentially significant negative impact on competition in the RIA context. This is based on the following four questions:

- *Does the proposed legislative instrument limit the number or range of suppliers?* The proposed Director of Housing Determination will not impose a limit on the number of social/community housing organisations, nor does it seek to limit the range of providers. In fact, it is likely that the number of community housing organisations who join the VHR will increase even after the VHR is fully implemented.
- *Does the proposed regulation limit the ability of suppliers to compete?* As this legislative instrument will be implemented into the not-for profit sector, one of the objectives of the VHR is to improve operational efficiency and reduce administrative burdens and stress for the community housing sector and people applying for housing assistance. This means the social housing sector will work together to make CHOs more efficient and provide positive outcomes to vulnerable and disadvantaged Victorians.

The proposed legislative instrument will not impose growth controls on CHOs. Although CHOs will have targets and reporting responsibilities to the VHR, this will not stop CHOs to compete in the Non-for-profit sector as they will have access to the entirety of the VHR waiting list.

The Victorian government will also provide CHOs incentives to join the VHR in order to grow their property portfolios in an attempt to create more social housing.

- *Does the proposed legislative instrument limit the incentives for suppliers to compete?* As stated previously, the proposed legislative instrument is to be implemented within the not-for-profit housing sector. The implementation of the VHR will not have a negative impact or reduce the incentive to compete or those CHOs who 'opt in' to the VHR nor will they impact those CHOs who don't chose to 'opt in'.

⁵⁷ *Competition Principles Agreement*, Clause 5. 1995. See the [National Competition Policy website](http://ncp.ncc.gov.au/pages/reform): <<http://ncp.ncc.gov.au/pages/reform>>.

⁵⁸ See OECD (2011) *Competition Assessment Toolkit. Volume 1: Principles*, pp 8-9. OECD, Paris, 2011.

- *Does the proposed legislative instrument limit the choices and information available to consumers?*
The VHR does not aim to limit the choices and information available to consumers. The VHR will aim to provide consumers with more options and information than previously provided in implementing a system that allows them to apply once with the VHR and be considered for all social housing options across Victoria. With the VHR, it is now easier than ever to apply for social housing in Victoria. Consumers can now apply either through a paper application or online.

According to the OECD, if all four of these questions can be answered in the negative, it is unlikely that the proposed legislative instrument will have any significant negative impact on competition and further investigation of competition impacts is not likely to be warranted.

Appendix 1: Exposure draft of Director of Housing Determinations

Housing Act 1983

Victorian Housing Register – Determinations of eligibility criteria, priority categories and priority criteria for applicants for social housing

Exposure Draft

DIRECTOR OF HOUSING DETERMINATIONS

1. PURPOSE

The purpose of these determinations is for the Director of Housing to determine the:

- a) eligibility criteria that must be met by an applicant to be eligible for a tenancy in social housing;
- b) priority categories for identifying the relative needs of eligible applicants for social housing; and
- c) criteria that must be met by an eligible applicant for a particular priority category to apply to that eligible applicant,

for the purposes of allocating tenancies in social housing to applicants on the Victorian Housing Register (Register).

2. ELIGIBILITY CRITERIA

There are five criteria an applicant must meet to be eligible for an allocation of a tenancy in social housing from the Register:

- proof of identity
- Australian citizenship or residency
- Victorian residency
- income eligibility
- asset eligibility

3. INCOME ELIGIBILITY

Primary applicants must have an independent income to be eligible for social housing. An independent income is an income paid directly to the person for their use and is not subject to a Centrelink parental income or assets test.

A household income should be within the income eligibility limits specified in these determinations. Income limits are based on household type and there are different limits for Priority Access applications and for Register of Interest and Transfer applications.

To determine total household income, assessable incomes are added together.

If a household exceeds the income limit for the category they are applying for, they are not considered eligible for that category.

The Priority Access income limit is based on income eligibility limits for a Commonwealth Low Income Health Care Card.

The Register of Interest and Transfer income limit is based on income eligibility limits for Commonwealth Rent Assistance and is set out as follows:

Income limits for Register of Interest applicants

Household	Weekly income (Effective 1 April 2018)
Single person	\$992
Couple, no dependants	\$1,518
Family (one or two parents) with one or two dependent children	\$2,047
Each additional dependent child	\$332

Every six months, on the 1st of April and 1st of October, the income limits above will be increased by 1.1 per cent to reflect increases in the general cost of living.

Income limits for Priority Access applicants

Household	Weekly income (Effective 1 April 2018)
Single person	\$555
Couple, no dependants	\$959
Family (one or two parents) with one dependent child	\$995
Each additional dependent child	\$35

Every six months, on 1 April and 1 October, the income limits above will be increased by 1.1 per cent to reflect increases in the general cost of living.

Considerations

Eligibility for group households or extended families is determined by the income of each family unit within the household.

If Centrelink income is the only income received by each household member, the household is considered eligible even though their total income amount may be over the household income limit.

If an applicant or household member is not receiving a Centrelink benefit or pension they are entitled to, the amount to which they are entitled is counted in the assessment when calculating income eligibility, unless the applicant can provide documentation confirming that they are not entitled to the income.

Where an applicant's Centrelink income is temporarily reduced due to an activity test or administrative breach, their income eligibility assessment is still made on the applicant's full Centrelink entitlement.

Where a non-custodial parent has regular access visits from their children, the income limit used for determining eligibility is based on the household including those children. Every second weekend and half school holidays or more constitutes regular access.

Where an applicant subject to the Centrelink two year waiting period is receiving income from wages, self-employment or child related payments, they are not considered to have an independent income for social housing eligibility purposes.

Where a partnered couple apply for social housing but one partner is ineligible because they hold a temporary spouse visa or they are permanent residents but subject to the Centrelink two year waiting period, the relevant couple income limit is applied when determining income eligibility.

Applicants or household members that include people who are in prison are not required to provide income documentation for that person until they are released from prison. Income eligibility can be assessed once the applicant is released from prison.

If a top-up Veterans Affairs payment in addition to a Centrelink payment makes an application ineligible, the designated service provider may use discretion to still approve the application.

Assessable and non-assessable incomes

Assessable income is any income that is not deemed non-assessable income.

Non-assessable incomes are usually payments that are provided for a specific purpose such as the Pharmaceutical Allowance, Large Family Supplement, Caregiver allowances and other financial support for families involved in caring for foster children, or payments that are to facilitate employment or training such as the Education Entry Payment.

Incomes specifically excluded from assessment are the Bereavement Payment, Book Allowance, Carers Allowance, Care Allowance, Child Care Benefit, Double Orphan Pension, Large Family Supplement, Family Tax Benefits for 6th and subsequent child, Fares Assistance, GST Components of Allowances, Language, Literacy & Numeracy Supplement, Large Family Supplement, Mobility Allowance, Orphan Pension, Path Internships Incentive, Pharmaceutical Allowance, Pension Supplement, Pension Education Supplement, Restitution Payment from Foreign Governments, TAC Impairment Annuity Benefit, Telephone Allowance, Travel, Meals, Laundry and Accommodation Allowances, War Disability Pension and Youth Disability Allowance

No income

In limited circumstances, applications listing independent household members who do not receive any income can be approved and placed on the Register, provided they meet all other eligibility criteria. However, applicants are required to provide documentation from Centrelink stating either:

- why they are not entitled to or in receipt of an income (for example they have temporary residency status or are on a two year waiting period, or they have received a compensation payout or an employment termination payout); or
- they are entitled to an income but are not claiming it.

Applicants who do not receive any income may be referred to a support organisation, to assist them with their housing application and any other needs.

4. ASSET ELIGIBILITY

The value of the assets for an applicant's entire household is calculated to determine if they are eligible for social housing. If households have assets that would mean they can afford other forms of long term housing, they are not eligible for social housing.

The value of the assets of a household should be within the specified asset eligibility limits set out below. Asset limits are different for Priority Access, Register of Interest and for people requiring disability modifications.

If a household exceeds the asset limit for the category they are applying for, they are not considered eligible for that category.

Considerations

Applicants or household members that include people who are in prison are not required to provide asset documentation until they are released from prison. Asset eligibility can be assessed once the applicant is released from prison.

Asset limits

Register application type	Asset limit (Effective 1 April 2018)
Priority Access	\$12,758
Register of Interest and Priority Transfers	\$32,276
Disability modifications	\$107,588

On 1 April every year asset limits above will be increased by 2.4 per cent to reflect increases in the cost of private rental.

Assets included in assessing eligibility

The dollar value of each household member's share in any of the following assets are added together to determine eligibility for social housing:

- Baby Bonus (formerly known as maternity payment)
- cash holdings and other investments, such as shares and realisable superannuation funds
- Family Tax Benefit Lump Sum Supplement – annual lump sum increase to the rate of Family Tax Benefit Part A and Family Tax Benefit Part B paid to families following reconciliation of entitlement at end of financial year
- mobile homes and recreational vehicles such as caravans and boats
- net fixed assets of a business
- shares in estates
- land
- Older Australian's Bonus
- Pension Bonus scheme
- funds managed by a court appointed administrator
- loss of wages component of victims of crime lump sum compensation payment.

Ownership of real estate

An applicant or household member who owns or has an interest in real estate (excluding land) is ineligible for social housing unless they cannot make 'effective use' of the property because:

- they are unable to reside in the property or continue to reside in the property; or
- it is 'unrealisable', that is, they are unable to sell their equity in the real estate.

Examples of circumstances where the property cannot be put to 'effective use' are:

- family violence - documentation confirming this is required from a support worker who is providing support to person(s) experiencing family violence;
- the person cannot or should not occupy the property for medical or health and safety reasons and they are experiencing difficulty selling the property. For example, the person is a police witness and at risk if they remain in the property or the property is unsuitable for a person with mobility difficulties; or
- the property is part of a contested property settlement and the household member cannot occupy it or sell their equity.

Where an applicant or household member is unable to make 'effective use' of the property and is unable to realise their equity, the property is exempted from assessment as an asset. However, if the applicant receives their interest or share in the real estate prior to being offered social housing and their assets are over the asset eligibility limits, the applicant is not eligible to be allocated a tenancy from the Register.

5. PRIORITY CATEGORIES

Sections of the Register

Applicants for social housing who meet the eligibility criteria are placed on the Register according to their housing need. The Register consists of two application types:

- Priority Access – for people most in need of housing; and
- Register of Interest – for people who do not have an urgent housing need but are seeking to live in social housing.

Priority categories for identifying the relative housing needs of applicants

People who are in urgent housing need are prioritised for social housing. In broad terms, this might mean:

- the applicant is homeless
- the applicant is experiencing or has experienced family violence in their home
- the applicant needs to move for health reasons
- the applicant's home is too small for everyone in their household
- the applicant is living in emergency, crisis or transitional housing
- the applicant's social housing property is to be sold or redeveloped
- the applicant is staying with someone temporarily while they look for a home or
- the applicant is aged 55 years and over and is unable to sustain any other housing options on the basis of affordability.

The table below outlines the categories of the Register in order of priority and includes:

- priority categories for the purposes of identifying the relative needs of eligible applicants for social housing, and
- the priority criteria that must be met by an eligible applicant for a particular priority category to apply to that eligible applicant (with further detail provided in the sections below the table).

	Category	New or Transfer applicants	Income limit / Asset limit
Priority Access	Emergency Management Housing – for people whose housing is no longer safe or habitable, due to an emergency, for example, a bushfire, flood or storm.	New and Transfer	Register of Interest
	Priority Transfers – for people who are social housing tenants and require urgent relocation to another social housing property as their current property is unsafe; is to be sold; redeveloped or better utilised.	Transfer	Register of Interest <i>For asset limit: Register of Interest unless a household member requires full or major modifications then the asset limit is the disability modification asset limit</i>
	Homeless with Support – for people who are homeless or experiencing family violence and need support to obtain and establish appropriate, long term housing.	New	Priority Access
	Supported Housing – for people who live in unsuitable housing and have a disability or long-term health problem requiring major structural modifications and/or personal support to live independently.	New	Priority Access (new) <i>For asset limit: Priority Access unless a household member requires full or major modifications then the asset limit is the disability modification asset limit</i> <i>OR</i> <i>policy consideration can be applied to exempt households with significant personal support needs from the Priority Access limit, and instead assess them against the Register of Interest asset limit</i>
	Special Housing Needs – for people who are living in housing that has become unsuitable and who have no alternative housing options.	New and Transfer	Priority Access (new) Register of Interest (transfer) <i>For asset limit: Register of Interest (transfer) unless a household member requires full or major modifications then the asset limit is the disability modification asset limit</i>
	Special Housing Needs aged 55 years and over – for people who are eligible for social housing who are	New	Priority Access

	Category	New or Transfer applicants	Income limit / Asset limit
	aged 55 years and over, and are not eligible for another priority category.		
Register of Interest	Register of Interest – no additional criteria apply.	New and Transfer	Register of Interest <i>For asset limit: Register of Interest unless a household member requires full or major modifications then the asset limit is the disability modification asset limit</i>

6. ELIGIBILITY CRITERIA FOR PRIORITY CATEGORIES

To be eligible for one of the priority access categories the applicant must meet the general eligibility criteria for the Register outlined in Section 2 above and also be able to demonstrate eligibility for one or more priority categories.

a. Emergency Management Housing

The Emergency Management Housing category is for people whose housing is no longer safe or habitable, due to an emergency, for example a bushfire, flood or storm.

To confirm eligibility, an applicant's support organisation, a recovery agency such as the municipal council, or a tenancy manager must confirm their housing is no longer safe or habitable, due to an emergency.

b. Priority Transfers

The Priority Transfers category is for existing social housing tenants that require urgent relocation to another social housing property because their current property is unsafe or unsuitable, is to be sold, redeveloped or better utilised.

To be considered eligible, the type of circumstances that must be demonstrated include:

Safety issues: there are safety issues, for example, due to family violence, anti-social behaviour, threats to safety in a rooming house, risk of ex-prisoner tenant re-offending etc.

Manifestly unsuitable housing: the existing housing is manifestly unsuitable resulting in a situation where a person cannot continue to live there independently, for example, they need major disability modifications or level access, they cannot accommodate a live-in carer,

Uninhabitable housing: the property is uninhabitable, for example, because there has been a fire, flood, vandalism

Family re-unification: a need to re-unify a family, for example, if a court has ordered that a child should stay with their parent three nights a week and there is not enough bedrooms to accommodate the child.

Stock utilisation: a need to better match tenants to properties that improves stock utilisation. For example, where a tenant wishes to downsize from a four bedroom house to a two bedroom house as their children have grown up and moved out of the family home.

Move out of a property : a need to move a tenant due to an expiry of a head-lease or to enable redevelopment or upgrade of the property.

c. Homeless with Support

The Homeless with Support category is for individuals or families who are homeless, at risk of homelessness or experiencing family violence who:

- have no alternative housing options;
- are receiving support through a government-funded support program; or
- who are exiting care or custody under health, child protection or justice arrangements.

d. Supported Housing

The Supported Housing category is for people or families whose existing housing is highly unsuitable because:

- major structural modification is required of their existing housing due to a household member's disability or health condition, but such modification cannot be made; or
- they are unable to access required assistance of personal support through an approved support provider to be able to live independently or their housing is significantly detrimental to, or exacerbates, their physical or mental health condition.

e. Special Housing Needs

The Special Housing Needs category is for people who are living in housing that has become unsuitable and have no alternative housing options.

There are four priority reasons that a person can be considered eligible for the Special Housing Needs category. The type of circumstances that an applicant must demonstrate to be eligible for this category include:

- Insecure Housing, that is, living in temporary, emergency or crisis housing or with friends or relatives ;
- Inappropriate housing, comprising severe overcrowding, unsuitable housing and family reunification;
- Unsafe housing, comprising of family violence and serious threat of physical danger; or
- Urgent Medical Needs, with a serious medical condition, where the person urgently requires alternative housing.

f. Special Housing Needs aged 55 years and over

This category is for people aged 55 years and over who wish to be considered for social housing who are not eligible for any other priority access category. This category only applies to single people or couples (that is, both applicants will need to be aged 55 years or above).

Appendix 2: Glossary

Term	Definition
Applicant	A person who has applied for, or has entered into a tenancy in social housing.
Application type	Applications to the Victorian Housing Register can be made to priority access or the register of interest. The application type will be dependent on an applicant's housing and support needs.
Approved application	An application which has been assessed as eligible and placed on the Victorian Housing Register.
Approved support provider	Support provider that has been approved by the Director of Housing for the purpose of submitting applications to the Victorian Housing Register.
Authorised Person or Relevant Person	A person employed or engaged by a participating designated service provider or by a participating registered agency who has obtained the authorisation from DHHS to access the VHR.
Client	Any person who applies to (or is seeking information about) the Victorian Housing Register. An applicant or a tenant or prospective tenant of public housing or community housing.
Community housing	Rental housing managed by not-for-profit organisations for people on low to moderate incomes. Housing managed by community housing organisations may be owned by the organisation, owned by the Department of Health and Human Services or rented from private landlords with government funding. Housing owned or managed by a community housing organisation.
Community Housing Allocations Framework	The Authoritative source of allocations policy and guidance to registered housing agencies (RHAs) that participate in the Victorian Housing Register.
Crisis Housing or Accommodation	Crisis accommodation describes accommodation provided on a not-for-profit basis in either congregate facilities with intensive onsite support, or stand-alone crisis properties with linked outreach intensive homelessness support. Types include: <ul style="list-style-type: none"> • adult and families crisis accommodation; • youth refuges; and women's refuges.

Term	Definition
Designated service provider	<p>An agency, a body or a person providing services under any of the following for the purposes of assisting disadvantaged individuals to access social housing;</p> <ul style="list-style-type: none"> • A State contract or any other contract or agreement between the agency, body or person and the Director, DHHS or any other Department or State; <p>A contract or agreement between the agency, body or person and a Department of the Commonwealth.</p>
Dependant	A person under 18 years of age, not receiving an independent income and who is living in an applicant's household in the care of the tenant, spouse or resident.
Director of Housing	A statutory entity existing under the <i>Housing Act 1983</i> responsible for all public, community and home finance programs funded by the Department of Health and Human Services (DHHS). Owns all public housing land in Victoria and which is the principal funding body for community housing.
Effective date	The date that all the documents to establish eligibility for an application are received, with the exception of Homeless with Support applications, where an earlier date may be used depending on the situation. The effective date determines the order in which applications are placed on the register within each category.
Eligible Applicant	<ul style="list-style-type: none"> • An applicant who meets the eligibility criteria for a tenancy in social housing.
Eligibility Criteria	There are five criteria an applicant must meet to be eligible for an allocation of a tenancy in social housing from the Register including proof of identity, Australian Citizenship or residency, Victorian Residency, income eligibility and asset eligibility.
Eligibility Confirmation Review	<ul style="list-style-type: none"> • Contact initiated by a social housing organisation with an applicant by telephone and/or in writing to confirm ongoing eligibility for social housing. Updated information obtained through this contact may result in a reassessment of an application.
Emergency Management Housing	<ul style="list-style-type: none"> • Housing category that is for people whose housing is no longer safe or habitable, due to an emergency, for example a bushfire, flood or storm.
Family violence	Family Violence is defined in the <i>Family Violence and Protection Act 2008</i> as violent, threatening or other behaviour by a person that coerces or controls a member of the person's family (the family member), or causes the family member to be fearful.
Housing Integrated Information Program (HiIP)	The computer system used by operational staff to monitor and manage the Victorian Housing Register.
Household members	People who are included in the application as people who will reside in the household if allocated to social housing, but are not the primary applicant.

Term	Definition
Housing Association	Own and manage their own properties, as well as manage properties owned by the Department of Health and Human Services. Like public housing, these organisations manage and maintain properties using their own staff. Housing associations are eligible for receive Government funding to build or acquire new properties.
Housing Provider	Range in size and primarily manage rental housing portfolios for other parties, such as the Director of Housing. Some housing providers own properties. Housing providers often specialise in particular client groups which may include disability housing, aged tenants and youth housing.
Housing size guidelines	Eligibility guidelines matching the number of household members to the size of the property, that is, number of bedrooms.
Housing type	The bedroom size, construction type and whether the property is a stand-alone house, a townhouse or located in medium or high density estate.
Independent income	An income paid directly to the person for their use and which is not subject to a parental income or parental assets test. Where an applicant subject to the Centrelink two year waiting period is receiving income from wages, self-employment or child related payments, they are not considered to be in receipt of an independent income for social housing eligibility purposes.
Ineligible application	Application which does not meet the eligibility criteria for social housing and is not placed on the Victorian Housing Register.
National Rental Affordability Scheme (NRAS)	The NRAS aims to increase the supply of new and affordable rental dwellings by providing an annual financial incentive for up to ten years. This incentive is issued to housing providers to provide affordable rental dwellings at least 20 per cent below market rates.
Performance Standards	Performance standards for registered agencies are based on best practice within a quality improvement environment. It is mandatory that registered agencies comply with all standards and measure that apply to them at all times as per the <i>Housing Act 1983</i> .
Primary applicant	Person who has their details listed on the Application for Social Housing in the Applicant Details section and who signs the declaration on the form stating that all information contained in the application is believed to be true and correct. The person who applies to the Victorian Housing Register seeking social housing and whose name is provided under the Declaration at the end of the form. The other parties on the application are called household members.

Term	Definition
Priority Access	<p>For people who are in urgent housing need are prioritised for social housing. Applicants who meet the criteria for priority access can be allocated housing before other applicants on the register who may have earlier effective dates.</p> <p>The Priority Access Categories in order of priority:</p> <p>Emergency Management Housing: For people whose housing is no longer safe or habitable due to an emergency, for example, a bushfire, flood or storm.</p> <p>Priority Transfers: For people who are social housing tenants and require urgent relocation to another social housing property as their current property is unsafe is to be sold, redeveloped or better utilised.</p> <p>Homeless with Support: For people who are homeless or experiencing family violence and need support to obtain and establish appropriate, long term housing.</p> <p>Supported Housing: For people who live in unsuitable housing and have a disability or long-term health problem requiring major structural modifications and/or personal support to live independently.</p> <p>The housing category for households whose existing housing is highly unsuitable (including social housing) because:</p> <ul style="list-style-type: none"> • major structural modification is required of their existing housing due to a household member’s disability or health condition, but such modification cannot be made and/or • they are unable to access, from that housing, required assistance of personal support through approved support provider to be able to live independently or their housing is significantly detrimental to, or exacerbates, their physical or mental health condition. <p>Special Housing Needs: For people who are living in housing that has become unsuitable and who have no alternative housing options.</p> <p>Special Housing Needs aged 55 years and over: For people who are eligible for social housing who are aged 55 years and over and are not eligible for another priority category.</p>
Public housing	<p>Long-term rental housing managed by Department of Health and Human Services. It is for people on low incomes that are most in need, especially those who have recently experienced homelessness or have other special needs.</p>
Redevelopment	<p>The demolition of existing housing and replacement with redeveloped housing, or a major upgrade of existing housing, requiring the housing to be temporarily vacant.</p>
Register of Interest	<p>A register of applicants who do not have urgent housing or support needs who may benefit from social housing.</p>
Social housing organisation	<p>An agency that provides social housing. In Victoria this may be either the Department of Health and Human Services or a Registered Housing Agency.</p>

Term	Definition
Social Housing	Both public housing (housing owned and managed by DHHS) and housing owned, controlled or managed by participating registered agencies (that is, registered housing agencies that participate in the Victorian Housing Register).
Transfer applicant	A transfer applicant is an applicant who is currently a tenant in social housing who wishes to transfer to another social housing property because their household situation changes; their home is not suitable anymore or their employment changes and they need to move a long way from where they are now to get to work.
Victorian Housing Register	<p>The Victorian Housing Register (the register) is the way applications for social housing are managed in Victoria. It is a single register for all public and community housing applications, making it easier for people to apply for a broad range of social housing options.</p> <p>The applications are available:</p> <ul style="list-style-type: none"> • Online for Individuals – through the MyGov website <my.gov.au> • Online for Agencies – through ebusiness <p>Paper forms are available from DHHS local offices or housing organisations and support providers.</p>
Victorian Housing Register eligibility criteria	The asset, income and agency specific eligibility criteria that must be met by an applicant to be eligible for a tenancy in social housing.