



Social Housing Regulation Review

Consultation Paper 3 - Accountability,
viability and growth



1. What level of importance do you attach to the regulation of social housing?

Mallee Family Care believe regulation is an important step towards ensuring fairness and equity across the social housing sector.

2. What role should tenants and prospective tenants have in the design of social housing regulation?

It is vital that mechanisms are inbuilt into the process of designing social housing regulation to enable the sector and clients to provide feedback. Co-design of social housing regulation by tenants and prospective tenants will foster ownership and participation in the process, resulting in improved outcomes across the sector.

3. Are there any other things social housing regulation should do to encourage provider viability and sector growth?

4. Is there unnecessary duplication between the roles of funders and regulators of social housing in their reporting and other requirements affecting providers?

Mallee Family Care support the empowering the regulator to support sector growth and innovation as outlined in the consultation paper.

To grow the sector, and attract private investment, we believe the regulator should gather and disseminate information that clearly articulates the standards expected from providers, outlines current and potential issues within the sector and provider performance reporting. Highlighting the human element and positive outcomes of the sector would also be attractive to those companies looking to incorporate socially responsible projects into their business strategies.

To prevent or reduce duplication, this review also needs to incorporate streamlined systems and distinct roles to ensure Agencies do not have to report twice and introduce reporting mechanisms aligned to their purpose.

5. Are the roles and objectives of Homes Victoria appropriate? What changes are needed to ensure clarity of roles and to address actual or perceived conflicts of interest?

6. How does Homes Victoria influence the decision making of registered community housing organisations?

7. Are the mechanisms for financial and performance oversight of Homes Victoria and the provision of public housing adequate and appropriate? What changes or improvements are needed?



8. Should public and community housing be regulated under common regulatory arrangements? What changes to the governance structure of Homes Victoria would be needed for this to occur?

Mallee Family Care believe the roles and objectives of Homes Victoria are appropriate, however we would encourage them to improve their reporting mechanisms back to the sector. As a relatively new arm, we receive little information from Homes Victoria that provides updates around their intent and purpose. We would welcome more information regarding what they are doing, how they are doing it and how they are engaging with stakeholders, the sector and clients.

A potential conflict we have identified is Homes Victoria currently playing three roles - landlord, provider and funder. To prevent actual or perceived conflicts of interest, we recommend a review of these elements to ensure oversight by a regulator to safeguard transparency.

At present CHOs need to get the approval from Homes Victoria due to their financial interest in the housing assets, which could have delay potential for CHOs, there is also the possibility that Homes Victoria could override CHO decisions.

Mallee Family Care would like to see improved dissemination of data. At present we provide a large amount of information and data to the department, however we do not get a lot of reporting back either at regional or state level. We would like to see this information collated in a meaningful way and reported back out into the sector.

The new Social Services regulator is an example of work already done within the Department and mirrors what we would like to see achieved in the social housing sector - streamlines and simplified regulation, reduced red tape, bolstered enforcement powers, a single set of standards and separation in decision-making.

We do not feel the financial oversight is adequate or appropriate. Whilst the Big Housing Build is a welcome initiative, due to Homes Victoria largely regulating itself, short-term approaches being instituted and a lack of data to allow for forecasting, Victoria will still have a severe shortage of housing stock.

Due to the reasons given above, Mallee Family Care believe public and community housing should fall under common regulatory arrangements to ensure consistency and transparency across the sector. At present, Homes Victoria is not assessed against sector performance nor is it subject to enforceable directions. This has resulted in ageing stock, deferred maintenance and a renewal program that has not kept pace with increased demand; we need to ensure that the new system prevents this occurring again in the future.

9. Do you agree that certainty and predictability in government subsidies and operating rules, together with an independent regulator, are necessary enablers of sustainable growth?



10. Do you think the current regulatory system is too prescriptive and not sufficiently focused on long term growth? If so, why? What changes would you suggest?

Mallee Family Care strongly agree that government subsidies and operating rules provide certainty and predictability and are vital for long term strategising and planning. The sector will not attract growth or private investment if they are unclear on what the rules and regulations are. An independent regulator would provide a transparent and consistent approach that would be attractive to potential private sector participants.

11. What would be the risks and benefits of allowing for-profit organisations to provide social housing services in Victoria?

A regulatory framework would ensure all organisations comply with the same standards, regardless of whether they are a private operator or funded by government, and the same actions for non-compliance would apply.

12. What governance structure do you think would be the best option for a single regulator covering both public and social housing, and why?

13. Where should a housing regulator be located within government?

An independent, stand-alone statutory body overseen by a Government appointed Board, similar to that of water authorities in Victoria, would provide autonomy and allow expertise to grow the sector. We would recommend the Board be comprised of both sector participants, private industry, community members and those with lived experience in the social housing sector.

Mallee Family Care believe the housing regulator, whilst funded by Government, should sit in a manner similar to that of the Commission for Children and Young People. In order to establish rigour in its independence and influence we believe the regulator should be located externally to Government.


14. Are the roles and objectives of the Housing Registrar appropriate? What changes are needed?

15. What role should the regulator play in sector development and capacity building?

16. How could sector development be effectively supported?

17. Is there a role for current and prospective tenants in sector development?

We believe the Registrar's roles and objectives are appropriate, they provide the regulation and monitoring required to protect government-funded housing assets and ensure registered housing



agencies meet Performance Standards. However, we need to ensure that the roles and functions of the Housing Registrar do not overlap with a peak bodies or funders.

The regulator has a great deal of information that could enhance sector development and capacity building, this information needs to be more effectively shared to attract new investment.

The lived experience is the experience we should be listening to if we want to make and sustain improvements. At present information is siloed and not shared, making it difficult to know how sector development could be effectively supported. When designing the framework, consideration needs to be given to how we capture the voice of current or prospective tenants how this information is shared. The voice of the consumer will only be effective if you ask for it and listen to it, to affect change.

18. What are the essential features of a regulatory framework for Affordable housing that can both help the industry grow, focus on tenant outcomes, and facilitate confidence that public funds are being used well?
19. Should Affordable housing providers be included in the social housing regulatory framework, or is a different system appropriate?
20. Which types of Affordable housing should be included in a regulatory framework?

In terms of helping the industry grow, we would like to know how Victorian rural Councils will work alongside this regulatory framework to ensure the future planning of social housing in local government areas. Our catchment covers four local government areas and information pertaining to future developments would assist forward planning.


With regard to confidence in public funds being used appropriately, the essential action is improved and increased reporting.

An increase in social housing or private tenancy stock will not alleviate tenants' inability to afford rental costs. Until people have enough money to live above the poverty line, affordability is going to continue perpetuating as a problem. We need advocacy at a federal level to address the issue of people living on government subsidies that are keeping them below the poverty line.

To put this in local context, at present the median rent in the Loddon-Mallee is \$350 per week.¹ Assuming a person is receiving the full base rate of \$620 per fortnight on JobSeeker and the maximum Rental Assistance of \$140 per week, they are left with a paltry \$80 per fortnight on which to exist.

Mallee Family Care question the need for Affordable housing to be on a different system, we advocate for a single system that caters for different sections of the service system rather than creating further bureaucracy that is not required.

¹DHHS Rental Report June 2021



We believe all Affordable housing provided through registered Community Housing Organisations should be included in a regulatory framework to protect both tenants but ensure government continue to have oversight of publicly funded housing stock.

21. What are the costs associated with Victoria having a different regulatory regime for community housing to the rest of Australia? In particular, how significant is the regulatory burden on providers that operate across jurisdictions having to register for multiple regimes?
22. In its current form, is the NRSCH suitable for the needs of Victorian community housing providers and tenants? What would need to change for there to be net benefits from Victoria joining the national system?


There is complexity in this question and consideration is required for border towns, Mallee Family Care works across two state jurisdictions, Victoria and New South Wales, with main offices in Mildura and Swan Hill. Regardless of the regulations introduced, operationalising a regulatory regime that is different and may effect cross border organisations needs careful consideration, it must also ensure no further reporting burden impacts the community service sector.

Mallee Family Care is of the view that a national framework would be beneficial to remove additional regulatory burdens and costs, however the current framework would need be revisited in order to provide the same rigour and intervention powers as the current Victorian registrar.

23. Should the regulatory system for social housing encourage the construction of housing that goes beyond minimum standards for safety and quality? Or should this be dealt with via construction contracts?
24. What role, if any, should the social housing regulator play in this area?

Specific consideration as to health and safety requirements when designing and commissioning new social housing has been undertaken which addresses heating and cooling and greenhouse gas emissions. Fire Rescue Victoria is also advocating for additional measures that exceed the National Construction Code. It is our view that responsibility for ensuring compliance with these minimum standards should be via construction contracts, where best practice guidelines are embedded. It is vital that the current shortage of housing stock does not precipitate poorly designed and constructed properties.

Another problem of note is the difficulty the construction industry is currently facing in sourcing building materials which will further impact social housing builds and thought needs to be given as to how the sector can mitigate this issue.



Further to this, public housing has undergone significant rehabilitation to meet minimum standards and we would like to see the same investment in existing community housing as standards should be consistent across the entire social housing sector.

25. How important do you consider sector diversity is in encouraging innovation in social housing services? How does this align with the benefits of encouraging growth?

26. What are some ways the system can harness the benefits of specialist services while also achieving growth in provider size and scale?

The sector needs to maintain diversity as our tenants are diverse and their needs are diverse. We do not believe managing this diversity needs to be embedded in regulation, however there needs to be mechanisms to ensure specialist services are consulted with in order to achieve growth whilst meeting tenant needs.

27. What role (if any) should the regulator play in encouraging industry consolidation?


The role of the regulator should be to communicate what the regulations are and instigate discussions with key stakeholders to promote the benefits of private investment. We also appreciate the need for the regulator to ensure smaller providers maintain a place in the system and are not absorbed by large scale providers. Whilst large-scale providers can leverage their asset base, we appreciate the risk that they may become too remote and disconnected from the tenants they serve.

28. What workforce challenges are the Registrar and the social housing sector likely to face as a result of sector transformation and growth? What will they need to meet these challenges?

At present, we are unsure what the forecast projection on our workforce may be due to sector transformation and growth as there is not enough data to make a proper analysis, however we are aware that there are currently workforce shortages across the social service sector.

Mallee Family Care are aware that any transformation or reform within a system will require a change management process at both the sector and organisational level.

29. To what extent could the performance reporting model of the Scottish Housing Regulator be applicable to Victoria?



The Scottish Housing performance-reporting model would be appropriate and beneficial to Victoria's reformed social housing sector. It has developed a comprehensive set of metrics in conjunction with tenants, who are engaged in the process, to protect their rights and interests. They use satisfaction and performance data to shape the sector and safeguard tenants by providing them with the tools to hold landlords to account. The metrics used are relevant to the Victoria system and encompass tenant satisfaction, financial performance, sustained tenancies, average time properties are offline, amongst many others. Of particular value to tenants, would be the ability to measure and compare landlord performance.