

Segmented Waiting List Review

**Submission by the Tenants Union of Victoria Ltd. to the Office of
Housing**

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Introduction

This submission addresses our major concerns with various aspects of the Segmented Waiting List. Most of the submission is of a fairly general nature. Where possible, specific recommendations are made regarding changes and alternatives to the current policy. However in many areas it was felt that it was premature to recommend alternatives as more information may be required or further consultation needed in regard to solutions. An example of this is the current broadband boundaries. While it is recommended that these boundaries be changed it is felt that specific recommendations about how these boundaries should be drawn requires more information. It is hoped that through the process of developing draft recommendations progress can be made towards developing specific recommendations for inclusion in the draft report.

1. Impact of the SWL

Introduction of the Segmented Waiting List

The introduction of the Segmented Waiting List was not as well resourced as it might have been. Problems arose from a lack of clear information about the new requirements and in particular up to date Policy and Procedure Manuals were not made available to both Office of Housing staff and community agencies contracted to provide advice and advocacy to prospective applicants. Any changes to the Segmented Waiting List requirements should be accompanied by a thorough and timely education and information campaign directed at relevant community agencies.

Targeting

Targeting has not been accompanied by adequate training for Office of Housing staff in dealing with the range of complex issues faced by applicants. This has led to unnecessary conflict and misunderstandings between applicants, Housing Services Officers and community agencies. These problems continue once an applicant has been approved and housed. The complex needs of these tenants have not been accompanied by an allocations system that will maximise the chances of a successful tenancy. The current system of broadbanding can result in the allocation of inappropriate housing to high needs tenants.

The result has been that while some applicants with an urgent need for public housing have been approved and housed more quickly than they would have been under the previous priority system their tenancies have been problematic. In some cases this has needlessly resulted in them being made homeless or involved in neighbourhood disputes that also affect the quality of life for other tenants.

Increased Complexity

The increased complexity of the application process has led to the need for an agency with specialised knowledge to assist and advise applicants. It should not be underestimated that the current process requires a considerable amount of support worker resourcing at all stages. This work needs to be adequately resourced. There remains confusion in the sector about which programs have responsibility for

resourcing or supporting applicants in some segments and at the various stages of the process. It is also clear that even a number of years after the introduction of the SWL some agencies are not completely familiar with the criteria and documentary requirements. The result has been that a large amount of work is done by agencies and the Office of Housing in both processing unsuccessful applications and dealing with appeals that have no chance of success.

Many agencies and most applicants do not have ready access to clear and concise information about the criteria and the application process. There is a clear need for better information about the process and criteria in a range of community languages.

Regular information sessions directed at community agencies and services who deal with prospective applicants run at a local level by the area offices could go some way to bridging his gap in information.

Priority

Consideration should be given to reordering the relative priority of different applicants. Currently people experiencing violence are in segment three but their need to be housed or moved very quickly is in some cases higher than other applicants in segment three and even some applicants in segment one and two.

2. Specific Aspects of the SWL

Unmet Needs:

Since the introduction of the SWL it has become clear that some prospective applicants are not eligible who otherwise should be.

People exiting prison: Currently applicants who about to exit prison are ineligible for any of the early housing segments. They are ineligible either because their current 'accommodation' is considered to be secure or they are unable to fulfil the requirements of the rent market test. This has resulted in severe hardship for these applicants, as they often have no secure accommodation on release. It would be in the interests of both the applicants and the community if these applicants were made eligible and be allocated housing as soon as they are released.

Recent migrants on an assurance of support and those recent migrants who are non-resident: Generally these applicants are ineligible. Applicants who are an assurance of support will generally only apply for public housing when their assessor is unable or unwilling to provide for their accommodation. However, they are often also reluctant to declare that the assurance of support has broken down and claim benefits through Centrelink as this can result in them being ostracised by their community. Unable to find accommodation in the private rental market they continue to live in either severely overcrowded conditions or are completely without shelter with no prospect of any remedy to their situation until the period of assurance has finished. The needs of this group needs to be examined in consultation with relevant agencies and organisations.

People less than 18 years old: Currently ineligible for segment one even if they are able to meet all other criteria. This is clearly an anomaly that needs to be addressed.

Elderly applicants: Given the difficulty many very elderly applicants have in completing the requirements of the early housing segments consideration should be given to granting automatic approval to applicants over a particular age.

Applicants who cannot access services: The requirements for segment one applicants to be assessed by an agency and the complexity of segments two and three means that applicants first require access to a service before they can submit applications. It is clear that many agencies are unable to cope with the demand on their services and some prospective applicants cannot be seen in some cases for a number of weeks. For high needs applicants this can mean that they will lose contact with the appropriate service and remain homeless. More resources need to be directed to the organisations that are responsible for assisting prospective applicants to ensure that they have reasonable access.

The following comments relate to each of the three early housing segments. The Tenants Union of Victoria rarely deals with segments one and two so the comments are of a fairly general nature and arise from our dealings with clients who have been referred to the appropriate agency. We deal with a large number of segment three applications both for new applicants and transfer applicants and have considerable experience of the problems with this segment.

Segment One:

The application and assessment process for segment one is very complex and time consuming for workers and applicants. While it is accepted that there is a need to substantiate the relatively higher need for applicants in this segment consideration should be given to ways of streamlining this process and reducing the number of stages in the current assessment process.

There are also problems of consistency between different regions. It has been the experience of the Tenants Union of Victoria that applicants are more likely to be approved for this segment in some regions than in others. This may be a result of differing access to services in different regions and the ways the applications are processed in different regions. Thought should be given to standardising the assessment process and establishing some form of accountability mechanism.

There has been some confusion over which agencies are appropriate to make assessments. While some THMs will accept referrals for potential segment one applicants others will not and have claimed that either they do not have the resources to make assessments or that it is more appropriate that other agencies, particularly SAAP services, do the assessments. There needs to be improved clarity regarding which agencies are able and responsible for undertaking assessments for this segment.

The requirement that applicants be in THM managed property should be abolished. Transitional housing is in extremely short supply and some potential applicants, while fulfilling all the other eligibility criteria, are ineligible simply by virtue of the fact that they are unable to be housed by a THM.

Segment Two:

Physically disabled applicants must demonstrate that they have a need for major or full modifications in order to be approved for this segment. The current criteria for what constitutes a major or full modifications are unreasonable because they assume, in most instances, that a landlord in the private rental market will readily agree to modifications to the property such as the installation of hand rails, lowering of benches and so on. However, section 64 of the Residential Tenancies Act 1997 requires a tenant to have the landlord's consent before they install any fixture or make any alteration, renovation or addition to the rented premises and must restore the premises to their original condition before the tenancy agreement terminates. The termination may not be with the tenant's consent and so may result in considerable costs in having to restore the premises to their former state. There

is no current legislative requirement that can be used to force a landlord to give permission.

What does and does not constitute a minor, major or full modification needs to be reviewed.

For applicants with support needs the current eligibility criteria requires that the support be provided by particular support agencies/programmes. This requirement is too restrictive as applicants may in fact require and be receiving high levels of support from either agencies that are not funded through particular programmes or are receiving their support from relatives and the like either out of preference or because they are unable to find an appropriate agency with a vacancy.

Segment Three

In order to be eligible for this segment applicants must demonstrate that: they meet the income and assets limits, they have an urgent housing need, they are unable to find alternate accommodation in the private rental market and they have fulfilled the debt repayment requirements.

Income and assets is dealt with in section 4 of this submission.

Urgent Housing Need Criteria:

In general the urgent housing need criteria are probably too tightly prescribed and do not allow for any discretion to take into account those applicants whose circumstances may not meet the strict interpretation of the criteria. While the Tenants Union of Victoria recognises that there is a need for consistent decision making across area offices – and hence the need for prescribed criteria – it is also felt that there is a need for some ability for assessment panels to approve applicants when their housing circumstances clearly place them in urgent need.

- The category of Homelessness is too prescriptive and should include impending homelessness as per the criterion under the previous priority system. Currently to be eligible under this criterion the applicant must either be in emergency or transitional accommodation or living temporarily with relatives or friends. This precludes applicants who have no shelter at all such as living out of a car. It also fails to adequately cater for those applicants who are about to be made homeless. In some circumstances it can be quite plain that an applicant will be evicted from their current accommodation because an order for possession has been made by VCAT. However currently this applicant will have to wait until they are actually evicted before they become eligible. This can have serious consequences for the applicant's ability to maintain links with services and simply results in a waste of time and resources for services.
- The Inappropriate Housing is too tightly defined. Applicants who can demonstrate that their housing is having a long term deteriorating effect on members of the household, as per the criterion used prior to the introduction of the SWL, should be eligible under this segment. We

have dealt with a number of cases where it is agreed by social workers, the assessment panel and the Housing Services Manager that if the household remained in its current housing circumstances that there would be severe consequences for the children. However as they did not meet the strict definition of this criteria they could not be approved for an urgent transfer.

- The current requirement that applicants must be in a severely overcrowded situation for more than six months potentially places some people at risk. This requirement should be abolished.

Debt repayment requirements

Debt repayment requirements should be reviewed, especially where the debt has arisen from a bond loan. The return of bonds, particularly before the introduction of the Residential Tenancies Bond Authority, was a common problem for many tenants and it is clear that many tenants had their bonds retained by landlords in contravention of the requirements of the Residential Tenancies Act 1980. As these debts may have been accrued many years before the application is made it is often extremely difficult and sometimes impossible for tenants to pursue former landlords. In addition in the past debts arising from bond loans were not considered debts that had to be repaid before receiving further assistance. As applicants took out these loans without being advised that it could later be a barrier to housing assistance it seems unfair that this policy can be applied retrospectively.

The requirement that applicants make a \$200 lump sum payment to commence a repayment agreement should be abolished. This is a large amount of money for applicants to find when they are trying to cope with either very high costs in private rental or additional costs arising from being homeless or in unsuitable accommodation. This requirement often acts as a barrier for applicants who are willing to enter into repayment agreements.

The current policy of refusing to house applicants even when the Office of Housing is unable to pursue debts that are subject to the Statute of Limitations should be abolished. If the Office of Housing has failed to commence legal proceedings within six years of the debt occurring then the applicant should be considered to be free of this debt as they would be for all other forms of debt. Even where the applicant believes the claim that a debt exists has no substance they have no recourse under these circumstances to have the matter heard before VCAT and it remains an unsubstantiated claim.

There should be some requirement that applicants are advised of the existence of the debt at the time their application is assessed. There have been a number of cases where applicants have been approved and waited many months for an allocation only to be advised at the time of the offer that they are unable to be housed until they meet the debt repayment requirements. This has resulted in severe hardship for some applicants.

3. Assessment Issues

As stated above this submission deals mainly with issues around segment three. However, it appears that the assessment and documentary requirements for segment one are overly complex and time consuming. A more efficient assessment process should be developed on advice from THMs, SAAP services and other interested agencies. The agencies who work directly with applicants are probably best placed to make assessments and should therefore not be required to provide such extensive documentation to the Office of Housing in order to justify their assessment. However it should be also clear that it remains the Office of Housing's responsibility to make decisions about approval of applications.

Medical assessments/ assessments of disability: Clear information needs to be provided to the applicant and/or medical practitioner and/or support agency regarding the eligibility criteria. This information needs to be accurate and reflect the actual requirements stipulated in the Policy and Procedures Manuals. The forms used should be standardized across the State.

In cases where the medical assessment is in dispute some consideration should be given to the establishment of an external and independent medical panel rather than leaving these judgements to Housing Services Officers.

Special Housing Needs Assessment Process: Currently the requirement is that applications be processed within 10 working days. There is a consistent failure by some Area Offices to meet this requirement. In some cases applications have taken over six weeks to be processed. These delays result in added stress for the applicant and wasted time and resources for services and the Office of Housing. Performance benchmarks and accountability mechanisms need to be established to ensure applications are processed in a timely manner.

The format of letters advising applicants of the outcome of their application should also be reviewed. Under the current arrangements applicants who are not on the wait – turn list at the time of their segment three application are sent two letters: one to advise that their wait-turn application has been approved and another, usually much later, to advise the applicant of the outcome of their early housing application. This can be confusing for some applicants and the language used could be simplified.

4. Income and assets

Consideration should be given to raising the income and assets limits for applicants under the SWL. The eligibility for an early housing allocation or transfer should largely be determined by issues of urgent housing need and ability to have their housing needs met by the private rental market. Having income or assets above the current limits does not necessarily mean that an applicant can be suitably housed outside the public housing system. It seems reasonable that some limit be placed on the amount of income and assets that an applicant can have in order to be eligible so income and assets limits for the SWL should be brought into line with the current wait-turn limits.

This situation appears to arise most often with applicants whose income is managed by State Trustees. As State Trustees control the investment of income there have been circumstances in which while it was clear the applicant was in urgent housing need and would not be able to access the required amount of money to establish themselves in the private rental market.

In addition there are circumstances where some income, while nominally available, is actually irregular or not received at all. An example of this is Child Support Payments. These payments are included in calculations of assessable income even in cases where the income is not actually received. The list of assessable income should be reviewed.

5. Rent Market Test

The rent market test should be abolished and replaced with an assessment of the availability of private rental at a maximum of 30% of household income within modified broadbanded areas. If it is determined that a reasonable number of properties are available perhaps then a requirement to test the market could be retained.

However this should be tempered with an assessment of the ability of the applicant to do the test and the exemptions from the test expanded. The common assumption by HSOs that services are able to assist applicants to fulfil the requirements of the rent market test is incorrect, as many services are unable to do more than provide general advice on the completion of the test. This particularly affects applicants from non-English speaking backgrounds and those with disabilities.

The private rental market is not a viable option for some applicants who need housing in particular locations or for whom the higher level of tenure security is vital. In these cases the applicants should be exempt from any requirement to attempt to find accommodation in the private rental market.

6. How could links between housing assistance and support services be improved?

HSOs need better training and information about the issues faced by applicants who are being prioritized through the SWL.

Support tends to stop once a client is housed in public housing due to a lack of resources for support agencies. If high needs applicants are to be targeted then a higher level of funding needs to be provided.

Better links between support agencies, including DHS agencies such as Child Protection and Disability Services, need to be strengthened through the establishment of referral protocols.

Formal protocols need to be established between support agencies and the local area offices in relation to the ongoing support needs of particular tenants. There have been a number of cases in the Western Metro Region where tenants with psychiatric disabilities have been subject to a rent arrears process and consequently evicted without the tenant's mental health support worker having been informed. Had the support worker been informed early in the process it is likely that the tenant would not have been evicted and there would have been no loss of rent to the Office of Housing. When an applicant with high needs is allocated housing a protocol requiring that the support agency be advised should be established.

7. Broadbanding

The current system of broadbanding was introduced in order to ensure that applicants who had the ability to wait could maximise their chances of being allocated the best housing. While the logic of this change in policy is accepted the current system has resulted in a very inflexible system that does not meet the needs of many applicants. It has tended to force Housing Services Officers to offer housing which they know will be unsuitable resulting in either rejections of offers and subsequent removal of applicants from the waiting lists and consequent appeals or the commencement of tenancies that soon fail. A more flexible system that gives the Office of Housing more discretion to offer more suitable housing is needed.

Applicants need to have greater ability to choose areas especially when this relates to their ability to get support from relatives or members of their community, or to maintain a child at a particular school. As the system currently operates applicants are often forced to choose between desperately needed housing and the stability of support and schooling. Perhaps a greater range of exemptions, which are not so tightly prescribed as they currently are, should be introduced.

Broadband areas need to be determined by public transport links and services rather than simple proximity or the administrative needs of the Office of Housing. New broadband areas should be introduced after consultation with local service providers to determine the location and accessibility of key services.

Exemptions from broadbanding need to be expanded regarding housing type. Currently applicants who are wheel chair bound can be allocated high rise housing because high rise flats are considered to be accessible by lifts. However, unreliable lifts and inefficient maintenance programmes can result in wheel chair bound tenants being stranded for days at a time. Given the threat of fire and the inability of these tenants to use stairs these applicants should be exempt.

There is a need for more information about stock and relative waiting times so that applicants can make an informed choice. Currently information about estimated waiting times is only available by contacting each Area Office. Sometimes the Area Office is unable or unwilling to provide this information. This lack of information results in applicants making uninformed choices about which area to apply for and unnecessarily long waiting times for housing.