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**SOUTH PORT COMMUNITY HOUSING GROUP INC.**

Submission to Public Consultation regarding Residential Tenancies (Rooming House Standards) Regulations 2022

January 2023

**Introduction**

South Port Community Housing Group Inc. (SPCHG) welcomes the opportunity to provide a submission to the public consultation process for the proposed changes to minimum standards for rooming houses in Victoria.

We note the timeframe for consultation being unreasonably short and grossly unsuitable to properly consider the views of the sector, before the new regulations come into effect on 27 February 2023.

SPCHG support the general intention of the proposed changes to minimal standards and regulation reform to improve the amenity standards and safety of properties operated as rooming houses in Victoria. Rooming House accommodation, by its nature, most serves members of our community that are unable to afford private rental or are waiting for public housing on the State’s expansive waiting list.

**Overview**

South Port Community Housing Group has been a successful and respected operator of rooming houses in the City of Port Phillip and Stonington Council areas for nearly 40 years.

The organisation currently manages 16 rooming house properties, gazetted by the Minister for Housing under section 19 of the Residential Tenancies Act 1997, across the municipalities of Port Phillip and Stonington. These properties accommodate some 230 residents on very low incomes and many with complex needs, trauma, and experiences of homelessness. Over the past ten years, SPCHG has progressively converted these properties into self-contained studio apartment bedsits, which has addressed many of the proposed minimum standards in greatly improved security and safety for our residents.

Our properties are managed under a General Lease with the Director of Housing. Many are former pubs or rooming houses, which now comprise small self-contained studio apartments within a multi-unit apartment block, each with their own kitchenette and bathroom. The main shared facilities are the laundry, communal yards and hallways. The average size of a studio apartment is around 22.5 square meters. As a result of the conversion and provision of private space and increased amenity, SPCHG has observed reduced turnover of units and increased phycological safety of our residents.

SPCHG is aware of the stigma often attached to the offer of accommodation in rooming houses in Victoria. This, we believe, stems from mainly unscrupulous private rooming house operators who seek to exploit the overwhelming demand for low-cost housing from vulnerable individuals and negate their responsibilities for providing minimum and acceptable amenity and safety standards. Private operators do not provide, nor have any responsibility to provide, support services or ancillary care to the many vulnerable renters that take up the offer for this type of accommodation.

**Broad Brush Reforms, Increasing and Confusing Red Tape**

It appears the draft regulation and consultation documentation has failed to account for both the different types of rooming houses and diverse range of operators (many ethical and strongly regulated) that manage or own rooming houses. The Regulatory Impact Statement (RIS), prepared by Deloittes consultants, makes no distinction between those managing rooming houses for profit and those managing rooming houses for social good on a charitable basis. The proposed reforms risk painting some operators of rooming houses with the same brush.

For Registered Housing Agencies responsible for managing rooming houses, we are required to comply with legislation and industry codes of the following bodies:

* Residential Tenancies Act 1997
* Residential Tenancies Amendment Act 2018
* Housing Act 1983
* Victorian Privacy and Data Protection Act 2014
* Victorian Civil and Administrative Tribunal Act 1998
* Victorian Civil and Administrative Tribunal Rules
* Health Act 1958 as it pertains to Rooming House Management
* Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020
* Equal Opportunities Act 1995
* Occupational Health and Safety Act 2004
* Building Code of Australia 1988/ Australian Standards

The recent Social Housing Regulation Reform Review presented the Victoria Government with a comprehensive set of recommendations to improve and clarify regulation of community and public housing in Victoria. This appears to have not been considered in any of the documentation as part of this consultation.

**Imposing Costs on the Charitable Sector**

The RIA, developed by Deloittes consultants, suggests there is evidence that a rooming house operator can return on average between $1,200 to $1,500 per week, making the estimated cost outlined in options 1 and 2, between 1.8 - 3.1 per cent of one year’s potential earnings. While this may be true for a private operator, Registered Housing Agencies are required to charge rents to a strict affordability formula.

Almost all of SPCHG’s renters come from a history of homelessness and social isolation. Most of have complex mental health issues, substance abuse and a history of trauma.

There is no ability to pass on additional costs to our renters.

What costings did the RIA undertake to estimate the returns of CHO’s and the ability to absorb or pass on costs to individuals on statutory incomes?

The RIA assumes rooming house operators do not pay for the cost of utilities for their residents. For many CHOs, all utilities and property costs are covered by the organisation, which charges a small nominal fee to cover on top of rent.

Further consideration and consultation should be conducted to understand and appreciate the financial impacts on rooming house operators who manage properties on a charitable basis.

Thank you for the opportunity to provide comment and reflections on the proposed changes.



**South Port Community Housing Group**CEO

Charlie Beckley