

Southern Homelessness Services Network

Submission to the
Department of Justice and
Community Safety
Consultation on

Updated minimum
standards for
rooming houses in
Victoria

2023



SHSN

1. About the Southern Homelessness Services Network

The **Vision** of the Southern Homelessness Services Network (SHSN) is an end to homelessness in Southern Region of Melbourne (comprising Bayside-Peninsula and Southern Melbourne areas and covering the local government areas of Bayside, Cardinia, Casey, Frankston, Glen Eira, Greater Dandenong, Kingston, Mornington Peninsula, Port Phillip and Stonnington – see Figure 1).

The **Mission** of the “Victorian Homelessness Networks is to facilitate, inform and support regional homelessness services and stakeholders to work together to co-ordinate services to people who are experiencing or who are at risk of homelessness.”

The Southern Homelessness Services Network (SHSN) comprises all funded Specialist Homelessness Services in the Southern Region including services providing crisis, transitional, long term, family violence and youth support and accommodation. Our members include Launch Housing, the Salvation Army and Sacred Heart Mission. The SHSN also supports allied service sectors working in homelessness. The SHSN is a resource for the homelessness sector in the South. For a full list of our membership, see our website at <https://www.shsnetwork.online/>

The key strategic SHSN objectives are:

- to promote and support innovation, knowledge sharing and expertise in the best interests of consumers
- to foster relationships and collaboration between service providers to ensure timely, coordinated and effective responses
- to act as a conduit between the Department of Health and Human Services and the regional service sector homelessness related data, issues and trends to inform policy
- working together to end homelessness.



Figure 1 Map of Melbourne's Southern Region Local Government Areas

2. Introduction

The SHSN welcomes the opportunity to make a submission to the Department of Justice and Community Safety's consultation on the updated minimum standards for rooming houses in Victoria. Given the short timeframes for this consultation held over the summer holiday period, the SHSN was unable to conduct additional consultations on the proposed changes to the minimum standards. In addition, the SHSN is concerned about the short timeframe for considering the outcomes of this consultation process given that submissions are due by 30 January and the new regulations come into effect on 26 February 2023. There is very little time to make any changes based on the consultation process, making the process feel tokenistic.

We have attached the report from our 2019 Rooming House Summit where many of the issues raised in this submission were discussed and documented. We have also attached our submission to the Rooming House Lived Experience Project (RHLEP) being run by the Commissioner for Residential Tenancies, Heather Holst. In preparing the RHELP submission, the SHSN consulted with a number of members who informed the preparation of the submission. This report provides a description of the use of rooming houses by our member services and a discussion of a range of issues relevant to this current consultation process.

Rooming houses are part of the limited suite of housing options available to many vulnerable and poor people whether referred by homelessness agencies or other services or they find their own way to rooming houses. Homelessness entry points often refer clients to rooming houses as there are no other suitable housing options in the Southern region of Melbourne. In addition, referrals to rooming houses in the South can come from other regions and other sectors including prisons and hospitals.

Private rooming houses were the least preferred type of housing in the *2018 SHSN Consumer Survey* with only 2% of survey respondents preferring rooming houses (private). The most preferred housing was private rental (40%) and public housing (30%) (SHSN Consumer Survey Report, 2019:11)¹. Rooming houses ranked lowest on this consumer's housing preferences –

I want transitional housing and then private rental shared and then rooming house (SHSN Consumer Survey Report, 2019:11).

SHSN members raised the following issues in the SHSN submission to the RHELP -

Critical Rooming House Issues for SHSN Members

- general inappropriateness of private rooming houses for vulnerable people
- issues around communal living – sharing bathroom and kitchen facilities
- un-affordability, particularly on Jobseeker allowance, leaving residents little money for basics such as food
- poor safety and security
- poor quality accommodation
- confusing regulation and oversight with little perceived follow through
- fear from residents in pursuing their residential rights
- poor behaviour of landlords ranging from not meeting rooming house regulations to exploitation of residents
- need to learn from COVID experience – health implications of sharing bathroom facilities
- lack of suitable alternative accommodation options for people experiencing homelessness for use by homelessness services.

¹ Southern Homelessness Services Network "Consumer Survey Report" 2019
<https://www.shsnetwork.online/consumer-participation>

In addition, the impact of rooming house closures on our services is heavy as most residents will be referred to homelessness entry points for relocation assistance. This is intensive and difficult work, particularly where a large number of residents need to be relocated at once. This can happen quite suddenly where private rooming house operators provide little or no formal notice of closure.

The PCLC report *Open the Door – the Resident’s View of Life in a Rooming House*² provides an excellent insight into rooming house issues from the residents’ perspective. The report surveyed 50 rooming house residents across South East Melbourne to give them a voice on what it is really like living in a rooming house. The SHSN recommends that the Department of Justice and Community Safety consider the serious and urgent issues raised in the PCLC report and in the submissions made to the Rooming House Lived Experience Project run by the Commissioner for Residential Tenancies.

It is important to emphasise at the beginning of this submission that rooming houses (boarding houses) are considered as a category of homelessness by the Australian Bureau of Statistics (ABS)³ with socio-economically disadvantaged people living in rooming houses with shared facilities counted as homeless in the Australian Census Homelessness Estimates. Under the ABS homelessness definition, boarding (rooming) houses are considered as a category of homelessness primarily because they lack privacy, do not have exclusive use of kitchen and bathroom facilities and space for social relations and if residents lack accommodation alternatives due to their income⁴.

So it critical to remember throughout the consideration of rooming house minimum standards, that any rooming house with shared facilities where residents are too poor to afford alternative accommodation is considered a form of homelessness in Australia by the official ABS definition of homelessness. The use of rooming houses by the homelessness sector is complex – where advocacy to address poor conditions in rooming houses may reduce dwindling accommodation options for clients. However, we need to remember that placing people in unsafe and unaffordable rooming houses only perpetuates their disadvantage, and continues, rather than ends their homelessness.

² Peninsula Community Legal Centre, 2020 *Open the Door – the Resident’s View of Life in a Rooming House*, Research Report

³ Australian Bureau of Statistics, 2012 *Information Paper – A Statistical Definition of Homelessness*

⁴ As above

3. SHSN response to the updated minimum standards for rooming houses in Victoria

The SHSN strongly supports the updated minimum standards which will go some way towards improving the living situation for rooming house residents. We support *Option 2 Greater alignment of minimum standards for rentals* put forward in the *Regulatory Impact Statement – Residential Tenancies (Rooming House Standards) Regulations 2022*⁵. However, these improvements are not sufficient to adequately address the problems raised by our member agencies.

The proposed changes to these standards alone will not ameliorate the underlying problems faced by people living in rooming houses - primarily problems with physical and psychological safety, hygiene and affordability. In addition, the proposed updates to the Regulations will not improve the compliance of rooming house operators nor the capacity for Consumer Affairs Victoria to inspect problematic rooming houses on a more frequent basis to ensure safety and compliance. The *Regulatory Impact Statement* articulates many of these issues well.

The proposed regulations address some of the very basic requirements for safe, secure housing such as improved lighting, ventilation, heating, gas and electrical safety and locks on bedroom and bathroom doors. The proposed regulations will also improve the cooking and dining facilities in Victorian rooming houses. Although, there are a small number of rooming house operators that go above and beyond in ensuring a safe, comfortable homelike environment in their residences, the majority of Rooming House operators will only provide the minimum requirements, despite charging high rents per room, particularly those catering to our client group – the most vulnerable and poorest residents.

There are many aspects of rooming house living which are not addressed by the proposed regulations, yet require Government intervention to make rooming houses safe, affordable homes for Victorians. The SHSN has identified a number of issues that are not addressed by the regulations yet require urgent Government intervention to ensure rooming houses are safe for residents. These are discussed below.

3.1 Physical and Psychological Safety

The updated minimum standards go some way to improving the security within rooming houses by improving locks and lighting. However, rooming houses can often be unsafe both psychologically and physically due to the nature of congregate living and sharing facilities and due to the complex issues of some residents.

Shared areas are generally areas of conflict in rooming houses, particularly those catering for people at the lower end of the market. Sharing bathroom and kitchens is commonly a source of conflict in any household – among family members or housemates. Therefore, it is not surprising that sharing one bathroom among ten residents is often a cause of conflict. This can be problematic if there is only one bathroom (i.e. smaller rooming houses) and the mental health or physical health of residents of affect their use of the bathroom, for example, by being incapable of cleaning up after themselves or higher than normal use of the bathroom precluding others from using it.

Some of the residents that our sector refers to rooming houses require supported accommodation or would manage better living on their own (not in shared accommodation) including some residents coming out of prison, with serious mental health conditions and/or with drug and alcohol problems. These issues can produce challenging behaviours which make congregate living dangerous and frightening for other residents who are often very vulnerable. In addition, some rooming houses may have poor security making them susceptible to squatters or non-residents pushing their way into the residence and posing a safety concern for residents.

⁵ Deloitte Access Economics, 2022 *Residential Tenancies (Rooming House Standards) Regulations 2022 – Regulatory Impact Statement*

Our member agencies report patients being discharged from hospitals directly to rooming houses, often on Fridays, when no support is available with these patients often returning to hospital as a result.

Some residents are very vulnerable with intellectual or physical disability or Acquired Brain Injury. There is no on-site support in private rooming houses and very little outreach support for rooming house residents. In some cases, staff providing home care or other in-home services (e.g. NDIS) will not enter rooming houses due to safety concerns, meaning that those residents miss out on the services they need and are entitled to receive. If these rooming houses are deemed unsafe for staff, how are they safe places for people to live?

3.2 Hygiene and Cleanliness

The COVID pandemic highlighted the need for improved hygiene and cleanliness of shared facilities in rooming houses, particularly when there is only one bathroom for every ten residents. If this bathroom is not clean, then residents have no alternative. The updated minimum standards do not address the need for regular cleaning in rooming house. An adequate level and frequency of cleaning should be included in the rooming house regulations.

The Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020 also need to be updated to mandate providing additional toilet and bathroom facilities in line with community standards. The minimum standard should be increased to one toilet/bathroom to every five residents (currently one toilet/bathroom to every ten residents). In addition, shared kitchens can be problematic, particularly sharing of fridges with cross-contamination of food, dirty dishes and work benches and pest control.

Hygiene and cleanliness are of particular concern after the COVID pandemic where sharing communal spaces was a health risk and there were several COVID outbreaks in rooming houses and other congregate accommodation types such as Supported Residential Services.

3.3 Affordability

The Deloitte RIS states that one of the objectives for the proposed regulations is to address affordability. Rooming houses are used by the homelessness sector because there are few other suitable or accessible options. The private market has developed private rooming houses as a response to this market gap. A market response is generally focussed on maximising profits to the landlords/operators rather than providing an accommodation service that meets the needs of residents and is affordable for those on income support payments.

Note that community managed rooming houses have a set rent relating to income to ensure affordability but private operators set their own rent prices. Private rooming house operators working with our client groups generally know exactly how much people on different Centrelink payments can afford and set their prices accordingly. The price of a room in a rooming house is not reflected in the quality of service provided. These operators target the lowest end of the income market, where people often have no alternative accommodation or choice. The basic JobSeeker payment is \$334.20 per week and the average rooming house rent sits at \$220-250 per week leaving between \$84-114 for the remainder of living expenses. This represents between 65-75% of a JobSeeker income. Residents on Centrelink incomes often have little money left for food, transport, medication and other necessities after paying rent.

Rental stress is defined by the ABS⁶ as paying more than 30% of income in housing (excluding Commonwealth Rent Assistance – CRA). So by this definition, private rooming house accommodation is highly unaffordable to people on Centrelink incomes. People renting in private rooming houses are caught in a poverty trap, with no way of saving any money to enable them to move to alternative

⁶ Australian Bureau of Statistics, 2010 *Measures of Australia's Progress, 2010*
[https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/1370.0~2010~Chapter~Housing%20glossary%20\(5.4.8\)](https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/1370.0~2010~Chapter~Housing%20glossary%20(5.4.8))

accommodation. We are currently living in an inflationary environment where everyday living costs are rising quickly where rooming affordability is likely to worsen.

As explained above, rooming house residents can be very vulnerable to financial exploitation by unscrupulous rooming house operators. There is little protection provided by the Government around the affordability of rooming house or from exploitation.

In addition, any costs that will be incurred by the operators in upgrading to meet the new regulations will be passed onto residents, further decreasing the affordability of this accommodation type.

3.4 Compliance

It is the Victorian Government's responsibility to ensure consumers can be confident in the rooming house product residents are renting in a regulated market - confidence that the rooming house will provide safe, secure and appropriate accommodation to a certain standard. And the Victorian Government should have adequate authority and resourcing to follow up where the product does not meet the regulated standards. In addition, Councils need more resources to monitor the proliferation of unregistered rooming houses across Melbourne.

The Deloitte RIS articulates the power imbalance between residents and rooming operators well. Many rooming house residents are unaware of their rights and the complaints process and often feel too scared or lack the skills required to make a complaint. Residents are concerned that pursuing their rights will lead to eviction. Limited rooming outreach programs support residents where possible, but these resources are very sparse across the Southern Region. The compliance process cannot rely on complaints from residents and more frequent inspections and monitoring, particularly of problematic operators, are required.

Consumer Affairs Victoria (CAV) should have adequate resources to monitor regulation effectively, including resources for annual inspection of every registered rooming house and to conduct ad hoc spot inspections to ensure regulations are adhered to. This should include a strengthened complaints process with easier mechanisms for rooming house residents to ensure their tenancy rights are upheld.

3.5 Common areas in rooming houses

The SHSN does not have a clear view on mandating that all rooming houses have a common area. As discussed above, shared areas in rooming houses are often areas of conflict and can be unsafe for some residents in some rooming houses. This can lead to common areas not being used or only being used by a few residents who may make other residents feel intimidated. Common areas are generally well used in rooming houses where residents feel safe and have a sense of community. Therefore, any introduction of mandated common living areas in rooming houses should be accompanied by supports and community building activities to ensure these are safe spaces within rooming houses.

3.6 More appropriate accommodation required

Increasing social housing stock for vulnerable people including people at risk of or experiencing homelessness and people in crisis in need of emergency accommodation is far more appropriate than relying on unsuitable, unsafe and unaffordable private rooming house accommodation for people experiencing homelessness. Rooming houses are not designed to meet the needs of vulnerable people, particularly for a long period of time. This includes increasing community managed rooming house stock (with self-contained accommodation) and increasing social housing stock for the lowest income cohorts. This also includes increasing step-down accommodation facilities for people leaving prison, hospital and psychiatric facilities and suitable accommodation for people with disabilities to ensure they receive the support and care they need. These types of accommodation will not be provided by the private market and require Government investment to provide safe, affordable and appropriate accommodation to meet the needs of some of the most vulnerable people in our community.

4. Conclusion

The new regulations will provide a better quality residence for rooming house residents, however, the new regulations alone are insufficient to address many of the concerns raised by our member agencies and clients. The SHSN would like to see substantial changes to rooming houses in addition to the new regulations. These changes must address the issues of safety by reducing areas of conflict (by increasing the mandated ratio of toilets and bathrooms per resident), funding additional support staff to assist residents, and providing alternative accommodation for people who cannot live in communal settings but cannot afford alternative accommodation. The changes must also address the lack of affordability of rooming houses.

We recommend that the Department of Justice and Community Safety seriously consider its responsibilities for the ensuring the safety of rooming house accommodation and urge the Department to consider the recommendations from the SHSN submission to the Rooming House Lived Experience Project (RHELP). The SHSN recommendations from our RHELP submission are included below.

Recommendations from the SHSN RHELP submission

- Recommendation 1. The Victorian Government should establish a single streamlined authority for monitoring and regulation of rooming houses to monitor and enforce compliance and to adequately respond to complaints.
- Recommendation 2. The Victorian Government should consider higher registration/operator licencing fees for private rooming house operators
- Recommendation 3. Raise the minimum standards of rooming houses to ensure security, safety and quality of rooming house accommodation including increasing the ratio of bathrooms to residents.
- Recommendation 4. Resourcing to the rooming house sector to convert to self-contained accommodation in recognition of health impact of shared facilities from COVID.
- Recommendation 5. Explore options to increase the affordability of rooming house accommodation
- Recommendation 6. The Victorian Government should increase the number of outreach support staff across Melbourne to support the health and wellbeing of rooming houses residents and additional outreach staff to support residents to make complaints and address legal issues.
- Recommendation 7. The Victorian Government should increase the number of funded housing options workers across metro Melbourne to investigate complaints from SHS clients and staff (one per metropolitan region, four staff in total).
- Recommendation 8. The Victorian Government should review its HEF guidelines for the SHS to exclude use of unregistered rooming houses and registered rooming houses that do not meet the regulations or endanger residents. This should be linked with the Housing Options Worker role.
- Recommendation 9. The Victorian Government explore incentives for ethical private rooming house operators who provide a quality rooming house for use by the SHS to improve/maintain their rooming house stock.
- Recommendation 10. Increase social housing stock for vulnerable people including people at risk of or experiencing homelessness and people in crisis in need of emergency accommodation.
- Recommendation 11. The Victorian Government provide better crisis accommodation options for vulnerable people (including youth, families, the elderly and people with disabilities and mental health issues) so that Specialist Homelessness Services do not have to use private rooming houses for emergency accommodation.

The SHSN supports the statement below from the *Parliamentary Inquiry into Homelessness in Victoria: Final Report* and supports the related recommendations from the Committee about rooming houses.

*The Committee believes that the Victorian Government needs to improve compliance and monitoring operations to ensure a safer and more dignified environment for residents of rooming houses*⁷

The SHSN believes that all people should live in housing where they can thrive, not just survive. Housing should be safe and not detrimental to one's health. After the COVID pandemic and spending so much time at home, we know the importance of safe, affordable, hygienic homes.

A well-planned and well-funded response to accommodation for vulnerable people is required - designed by people with lived experience, the community sector and Government rather than a market response. Tinkering around the edges to improve rooming houses will alleviate some problems. However, the fundamental issue is that rooming house accommodation (particularly private) does not meet the accommodation needs of the majority of people experiencing homelessness. Continued use of rooming houses perpetuates homelessness by placing people in a different homelessness category, rather than ending their homelessness by providing safe, appropriate and affordable housing.

⁷Parliament of Victoria, 2021 *Inquiry into homelessness in Victoria: Final report* Legislative Council Legal and Social Issues Committee.