

Legislative Assembly

Thursday, 2 June 2011

ESTIMATES COMMITTEES A AND B

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Dr M.D. NAHAN: I refer to the sixth dot point on page 703 about the allocation of housing stock. As I understand, in the past there has been a peppercorn policy whereby the Department of Housing sprinkles houses across areas.

Mrs M.H. ROBERTS: Salt and pepper, not peppercorn.

Mr T.R. BUSWELL: It might be rock salt and peppercorn!

Dr M.D. NAHAN: Excuse me—correction accepted.

I heard the member for Willagee state in the house that approximately 30 per cent of his constituents live in Homeswest housing. Does the policy of sprinkling houses across communities still exist; and, if not, how does the department allocate houses for both new housing stock and the remodelling of old housing stock?

Mr T.R. BUSWELL: I think it would be a fair thing to say that it is always a delicate balance. In some suburbs, it is the view that the densities are too high—mainly older suburbs. In newer subdivisions, we have aimed for, I think, a one-in-10-type arrangement. Historically, it has been different in some suburbs. I recently met with people from the Town of Victoria Park, where in some streets public housing densities are too high.

We can go into those areas and do one of two things: we can sell some of the properties, but perhaps a more innovative solution is to look to redevelop the built form to come up with a better outcome. Some of that redeveloped built form might be retained for social housing. Often the reason for social housing in an area is that it is a good spot to live because it is close to public transport, services and the like. We will look to redevelop that area by way of built form development. We will sell some of that built form redevelopment to automatically break up the mix of home ownership.

Some of those sales will be via our shared equity scheme, and some properties will be put straight onto the market. Some of the properties will be transferred to the community housing sector for its operation, and some may be kept by the department. It really is horses for courses. Under the high-value property strategy, when high-value properties come onto the market—I am pretty that our definition of a high-value property is that it is approximately twice the median house price—we will look to sell the property, because generally we can sell the property and reinvest the money into other areas.

It has been interesting to look at where the properties are that have been sold. When we brought in that policy, people said that it was all about selling properties in the western suburbs. We have sold some properties in the western suburbs, but predominantly in Mt Claremont, which has a lot of big lots with very old houses. I visited a couple of these properties and the houses were quite old.

There have also been a number of sales under that policy in Manning, Karrinyup, Doubleview and a range of other suburbs. The advice I have is that to date we have generated about \$20 million in revenue from the sale of 18 properties, and that \$20 million has been reinvested in the spot purchasing of some 25 dwellings, and also in the construction of a number of units. I do not have the exact number on this piece of paper. However, that has worked well and it really is a combined effort.

Areas of high-density housing are found in different suburbs, and the impact on those suburbs is different. Certainly, at the meeting I had with the Town of Victoria Park, one or two streets had been impacted, and we gave an undertaking to have a look at what we could do there. Similarly, in Bunbury—in Littlefair Street, Withers, where some of the behaviour of public housing tenants has been atrocious and the treatment of residents terrible—we are going to sell some of the public housing stock because it is my guess that people have put up with too much for too long.