

Media Release

The Hon Richard Wynne MP
Minister for Planning
Minister for Housing



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BUILDING A SECURE FUTURE FOR SOCIAL HOUSING IN VICTORIA

The Andrews Labor Government is delivering a stronger and more sustainable social and affordable housing sector, while creating thousands of jobs and putting a roof over the head of people who need it most.

Building on the landmark \$5.3 billion Big Housing Build and delivering a boosted supply of social housing for generations to come – a new Social and Affordable Housing Contribution (SAHC) will be introduced, and social housing properties will be exempt from paying rates, bringing them in line with hospitals and schools.

From July 2024, all newly built developments with three dwellings or more and three or more lot subdivisions will contribute 1.75 per cent of the as-if-complete project value to the Social Housing Growth Fund. The change will affect less than 30 per cent of all residential planning permits.

This is an investment in more new homes, more jobs and more training opportunities for local tradies, with every dollar re-invested in the Victorian construction sector to build more social and affordable homes.

Over the first ten years, the SAHC is expected to raise on average about \$800 million a year. This will fund the delivery of an average of up to 1,700 new social and affordable homes each year, boosting construction to create an average of more than 7,200 direct and indirect jobs a year.

Exempting social housing properties from paying rates, recognises the important public value it delivers for our community – stopping it being treated differently to other public assets including our public schools and hospitals.

The rates reform will be phased in over four years from July 2023 and will only apply to social housing properties. The reform will not apply to affordable housing.

The Labor Government will reinvest every dollar of the \$54 million currently spent on public housing rates back into public housing maintenance and upgrade works, delivering kitchen and bathroom upgrades and better open spaces. Community housing providers will also reinvest \$11 million back into the services they provide.

Both initiatives will apply to all local government areas in metropolitan Melbourne, as well as the regional cities of Greater Geelong, Ballarat, and Greater Bendigo – other regional councils will not see a change. Individual councils will determine how they accommodate the rate reform.

These game-changing initiatives will provide a secure and ongoing funding stream for social and affordable housing.

Quotes attributable to Minister for Housing Richard Wynne

“Our landmark Big Housing Build is changing lives, putting a roof over the head of people in need and creating jobs – but we’ll need to continue building more homes beyond 2024 and these reforms deliver exactly that.”

“We’re establishing a stable funding stream to provide the dignity of housing to thousands more Victorians now and into the future, while locking in social and economic benefits for years to come.”

Quote attributable to Treasurer Tim Pallas

“Access to safe, affordable and energy efficient social housing benefits all Victorians – these changes will add further momentum to the delivery of social housing across the state.”

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