



Victoria's Big Housing Build

We're building thousands of new homes for Victorians in need.

And creating tens of thousands of new jobs to support Victoria's recovery.

NOVEMBER 2020

more homes for
more victorians

hv homes
victoria 

The Big Housing Build at a glance

Victoria's largest-ever investment in social and affordable housing.



Investing
\$5.3 billion
in more homes for
more Victorians

2,900 new
affordable and market
homes for **first home
buyers and renters**



More than
9,300 new
social housing
dwellings

2,000 more
Victorians with
mental health
issues will have
a home



A **gender
equity** plan to
get more **women**
into construction

All **new homes** will
meet **7 star
NatHERS efficiency**
standards



10% increase
in social housing
dwellings

25% of
investment
will be in **rural
and regional**
Victoria



12,000+
new homes
across Victoria



10% of all net new
social dwellings will
support **Aboriginal
housing needs**



10% of work
on large projects
to be done by
**apprentices, cadets
and trainees**



**Homes
Victoria**
established to make
the Big Housing
Build a reality

Every dollar invested
in social housing
is an investment in
Victoria's people.

Building social housing will
support families, create jobs
and boost the economy.

Creating an average of **10,000 NEW JOBS** a year over the next four years.

And in addition to the Big Housing Build

An extra
\$498 million

for public and community
housing **refurbishment,
construction
and maintenance**



600
new jobs in
**maintenance and
refurbishments**

**Refurbishing
23,000**

existing social
housing
properties



Four years of new home commencements

20/21 1,100

21/22 5,000

22/23 5,000

23/24 1,200

The Big Housing Build gets a fast start this financial year with more than 1,000 commencements ready to happen. Over the next 3 years, more than 11,000 more will commence across Victoria.
See note on page 14.

Four years of job creation across Victoria

20/21 2,000

21/22 11,480

22/23 18,800

23/24 11,600

The Big Housing Build will kick-start careers in the building industry and help us get growing again. Over the next four years, new jobs will be created right across metropolitan and regional Victoria. **See note on page 14.**

That's why Australia's leading economists believe social housing is Australia's smartest investment.

Source: Economic Society of Australia, Survey of 49 eminent economists, October 2020

Building for strength



This year we've been reminded just how important home really is.

It's why we'll make sure more Victorians have the security and stability of a home, with our state's – and Australia's – biggest ever investment in public and community housing.

We will deliver a historic \$5.3 billion Big Housing Build to build more than 12,000 new homes throughout metro and regional Victoria.

It's a profound investment in a stronger, fairer Victoria.

And it's an investment that will change lives – giving thousands of Victorians a place to call home, and tens of thousands of Victorians a job.

This initiative will create an average of 10,000 new jobs each year for the next four years. Getting more Victorians into work – ensuring not just a job, but security and certainty for them, and the people they love.

This package will boost our state's social housing supply by 10 per cent in just four years – providing a stable foundation for thousands of Victorians to build their lives.

And it will reach every corner of Victoria – with 25 per cent of funding to be allocated to regional Victoria.

This unprecedented investment will supercharge Victoria's economic recovery, generating an estimated \$6.7 billion in economic activity and creating new opportunity – with 10 per cent of the work on major projects to be done by apprentices, cadets and trainees.

And because we want to front-up to the inequalities that have seen women lose more and earn less throughout this pandemic, we will have a gender equity plan to get more women into construction.

We'll also create hundreds of new jobs for Aboriginal Victorians, people with disability, social housing tenants and people from diverse backgrounds.

It goes to our core belief: Our ultimate success must be measured not just by the wealth of our economy – but also the wellbeing of our people.

Because if this pandemic has reminded us of anything, people matter.

The Hon Daniel Andrews MP
Premier of Victoria



Making housing work



The Big Housing Build is the social and affordable housing sector's equivalent of the Snowy Mountains Scheme – a nation-building project changing Victoria one backyard at a time.

Here's how the Big Housing Build – which will boost social housing stocks by 10 per cent – will work.

In 2020/21: we will start building 1,100 new homes – and create 2,000 new jobs.

In 2021/22: we will start building 5,000 new homes – and create 11,480 new jobs.

In 2022/23: we will start building 5,000 new homes – and create 18,800 new jobs.

In 2023/24: we will start building 1,200 new homes – and create 11,600 new jobs.

And those new homes and new jobs will be spread across metropolitan Melbourne and regional Victoria.

We want all Victorians to have a place to call home, that's why Victorian Government has committed 25 per cent, or \$1.25 billion of this package to regional Victoria. The Big Housing Build includes a guaranteed minimum investment for 18 regional and rural Local Government Areas across the state, to boost our regional centres.

We're also pushing through reforms to back this unprecedented project. We'll plan for growth, with a ten year social and affordable housing strategy.

We will forge the new Social and Affordable Housing Compact with local councils – an agreement to work together to increase social and affordable housing stock.

We're streamlining planning approvals for social and affordable housing, to deliver good design outcomes and get projects moving fast.

We're supporting the public housing system with \$300 million in this package, and funding into the future.

And we've established Homes Victoria to manage the Big Housing Build.

Currently, more than 80,000 Victorian households rely on social housing – with thousands more on waiting lists.

I've met many of those people. They're survivors of family violence, they're people with disability, they're people with a chronic or mental illness, they're pensioners, they're refugees. But – most of all – they're Victorians who deserve a place to call home.

The Big Housing Build will transform the lives of thousands of families in need – and in the process it will strengthen our community and economy. Victoria has never seen anything like the Big Housing Build.

A handwritten signature in black ink that reads "Richard Wynne".

Hon Richard Wynne MP
Minister for Housing



What will the Big Housing Build look like?

We're delivering an unprecedented number of building projects across Victoria as the Big Housing Build rolls out. Here's an overview.

Fast start projects, commencing **NOW**

Building new homes on public land

\$532 million

The Big Housing Build starts now, on Homes Victoria land, replacing obsolete properties and constructing new homes. Work has already begun, to help get our building industry moving again.

500
new social housing properties



540
new affordable and market homes



Construction activity has begun on six sites, and more sites will be announced in the first quarter of 2021.

See the map on the page 10 for locations of the sites now underway.

Projects already started, or ready to build and spot purchase of existing properties

\$948 million

We'll be working with the private sector to bring forward large developments ready to start construction and purchase existing residential properties across Victoria.

1,600
new social housing properties



200
new affordable homes



We're issuing a Request for Proposals for across Victoria, with 21 local government areas across Victoria identified as a priority.

See the map on the page 11 for the full list of priority local government areas.



Strategic and partnership projects, starting **SOON**

Funding projects by the community housing sector **\$1.38 billion**

The community housing sector will be a partner in the Big Housing Build. The Victorian Government's Social Housing Growth Fund, jointly administered by the Treasurer and Minister for Housing, is launching a range of funding rounds – starting this year and continuing through 2021 – for housing projects led by community housing providers.

Partnerships with the private and community housing sectors **\$2.14 billion**

Homes Victoria will explore opportunities to build on surplus government owned land sites. Using government land sites can maximise housing outcomes, through good value for money and access to strategic development sites. We will pursue opportunities to partner with industry, community housing providers, local government and institutional investors to identify new projects that deliver homes across Victoria.

Up to **4,200**
new homes



Up to **5,200**
new homes



12,000+
new homes to be built and
10,000
new jobs a year on
average over four years
starting **TODAY**



Big Housing Build projects will promote good design. Major projects (more than 100 units or 3 storeys) will undergo Office of the Victorian Government Architect design reviews.

All dwellings will have Nationwide House Energy Rating Scheme (NatHERS) average ratings of at least 7 stars and certified minimum 5 Star rating Green Star.

Dwellings will include a mix of 1, 2 and 3 bedrooms, responding to the changing needs of households in Victoria.



**And in addition to
the Big Housing Build**

\$498 million
**New construction, upgrades and
maintenance to existing housing**

We've committed a record amount of money to maintain, refurbish, repair and build new public housing across Victoria. Work has already begun, and when we're finished, more than 23,000 social housing dwellings will be significantly improved.

\$185 million
**Replacing old public housing
with new dwellings**

The Public Housing Renewal Program is underway with the task of replacing seven major public estates with completely new, modern, attractive and energy efficient dwellings. It will generate \$1.29 billion in construction and economic activity.

The Big Housing Build will change lives

MORE HOMES FOR MORE VICTORIANS LIVING WITH MENTAL ILLNESS



One in every four priority applicants currently on the Victorian Housing Register are Victorians living with a mental illness. Stable housing is an essential element in both preventing, and recovering from mental health issues. The Big Housing Build will ensure Victorians living with a mental illness can secure a place to call home. The Big Housing Build will house more than 2,000 additional Victorians with mental illness. The provision of safe, secure and stable social housing will enable Victorians living with mental illness to access support and live a life they value, knowing they have a place to call home.

More homes for victim survivors of family violence

Nearly one in ten priority applicants on the Victorian Housing Register are victim survivors of family violence. The chance to move into a safe home and rebuild lives in a new environment is something the Big Housing Build will give many Victorian women and their children. The Big Housing Build is expected to deliver a safe home for as many as 1,000 victim survivors of family violence across Victoria.

More homes for Aboriginal Victorians

One in every ten people who are applicants for social housing on the Victorian Housing Register are Aboriginal Victorians.

This is why 10% of Victoria's social housing boost will be targeted to housing developments to meet the needs of Aboriginal Victorians.

This underscores the Victorian Government's commitment to advancing self-determination. The package will increase housing for Aboriginal Victorians through both Aboriginal Community Controlled Organisations and mainstream public and community housing providers.



A fast start for the Big Housing Build

We're ready to start building, and are now inviting proposals in priority local government areas to deliver more homes for more Victorians.

Fast start sites, underway now

Stage 1 of the Big Housing Build is starting on these sites across Melbourne.

- Markham Avenue, Ashburton
- Dunlop Avenue, Ascot Vale
- Bills Street, Hawthorn
- Tarakan Street, West Heidelberg
- Victoria Street, Flemington
- Elizabeth Street, North Richmond

Stage 2 sites will be announced in early 2021.



\$1.25 billion of the Big Housing Build will be in rural and regional Victoria.

That's **25%** of the entire Big Housing Build.





Bids being sought in priority local government areas

Across Victoria, many local government areas need more housing to cope with demand. Right now, we're ready to launch a Request for Proposals for in-progress or ready-to-build projects. Proposals are sought from across Victoria, with 21 priority local government areas identified.

- Ballarat
- Boroondara
- Brimbank
- Bendigo
- Cardinia
- Casey
- Darebin
- Greater Geelong
- Hume
- Macedon Ranges
- Maribyrnong
- Maroondah
- Melton
- Mitchell
- Moorabool
- Moreland
- Port Phillip
- Shepparton
- Whitehorse
- Whittlesea
- Wyndham



Our commitment to ensuring every Victorian has a place to call home

A joint vision for Victoria's social housing system

A 10 year Strategy for social and affordable housing will be developed with the not-for-profit sector and industry.

Rolling 4 year supply and delivery plans will offer guidance to the market, and ensure a high quality pipeline of social and affordable housing developments.

A stronger and more capable social housing system

An independent review of Victoria's social housing regulatory system will strengthen oversight of community and public housing. The review will consider how the system can better support resident and community outcomes, with a stronger focus on the voices of residents. We will work to reduce administrative burdens on providers and harmonise the regulation of public and community housing.

A Community Housing sector development fund will support the capacity of not-for-profit housing providers to help deliver on this historic package.

A sustainable and renewed public housing portfolio

Public housing rents are capped at 25% of household income. We will review rental policies to align rents to make sure public housing tenants are treated equally, while guaranteeing a cap of 25% of income on rent.

There is also new funding for the public housing system of \$300 million in this package – and funding into the future – making sure there is ongoing growth in public housing and that existing homes are well maintained.



Over time, redeveloping and renewing social housing will require some households to relocate when construction is underway. It also means more housing can be built to accommodate more Victorians currently on the waiting list. We will work with residents to match alternative housing to their needs.

A new partnership with local government



Homes Victoria will work with local governments to develop a 'social and affordable housing compact' – this will include an important role for local government in identifying priorities for social housing growth in their municipality. We will also consult with councils on mechanisms to bring social housing closer to the treatment of other public value infrastructure such as schools and hospitals, which are exempt from council rates. This reflects the public benefit that access to safe, secure and affordable housing brings to local communities.



Fast-tracking planning for social and affordable housing



We will make the planning system better and streamlined – prioritising social and affordable housing developments to accelerate approvals.

To prioritise new housing the Victorian Government will assess and approve planning proposals funded by the Big Housing Build following consultation with councils.

This will expedite planning processes without compromising planning and built form outcomes on the site.

Introducing Homes Victoria

Homes Victoria has been created for four reasons.

First, to support Victorians who are finding it difficult to secure stable, affordable housing and help them live their best possible life.

Second, to manage the more than \$26 billion in housing assets that currently house more than 116,000 Victorians.

Third, to renew and substantially expand those assets by ensuring the Big Housing Build is delivered on budget and on time.

Fourth, to make sure we have a sustainable housing system that can deliver for generations to come.

The Big Housing Build is the largest social and affordable housing building program in Victoria's history.

Homes Victoria will work closely with industry, the not-for-profit sector and the community to maximise social and economic benefits.

Our priority is to fast-track new social and affordable housing right now – and plan for sustainable, long term growth in housing.

Our governance approach will ensure we deliver on the Government's objectives, and have the capability and commercial acumen to realise the benefits of this record investment on behalf of Victorians who experience housing insecurity and homelessness.

We will listen to the experiences of people who know what it's like to struggle to find a place to live. We will pursue evidence-driven reforms. And, above all, we will ensure more Victorians have a place to call home.



Glossary of terms

Affordable housing

Affordable housing is a broad term describing housing suitable for the needs of a range of very low to moderate income households and priced (whether purchases or rented) so these households can meet their other essential living costs. For further information, please refer to the definition in the *Planning and Environment Act 1987*.

Community housing

Community housing is housing owned or managed by community housing providers. Community housing providers are highly regulated, not-for profit organisations that specialise in housing the diverse range of tenants who require both public and affordable homes.

NatHERS

The Nationwide House Energy Rating Scheme (NatHERS) is a star rating system that rates the energy efficiency of a home out of ten, based on its design. Good design can reduce the amount of energy needed to keep a home comfortable, with no or little additional construction cost.

Public housing

Public housing is housing owned and managed by Homes Victoria. The government provides public housing to eligible Victorians including people who are unemployed, on low incomes, live with a disability or a mental illness, or who are at risk of homelessness.

Social housing

Social housing is an umbrella term that includes both public housing and community housing. It generally indicates housing that involves some degree of subsidy.

A note about predicted building commencements and job creation

Forecasting construction market conditions and private demand for housing is more complicated in the current context of the COVID-19 pandemic. Projected construction commencements and jobs created by the Big Housing Build are estimates based on the current outlook, and will be regularly reviewed and updated at homes.vic.gov.au.

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To receive this publication in an accessible format,
email <enquiries@homes.vic.gov.au>

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