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# PIA POSITIONS: SOCIAL AND AFFORDABLE HOUSING CONTRIBUTIONS

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Building the future of community housing: CHIA  
conference 1-2 April 2025

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# PIA PERSPECTIVE

The provision of appropriate, affordable, sustainable, and well-located housing is a critical issue for Victoria.

Access to safe and secure housing is a basic human right.

As urban and regional planners, PIA members play an important role in the process of housing provision and understand the importance of social and affordable housing to sustainable and equitable communities.

PIA asserts that Social and Affordable Housing is 'essential infrastructure' for a proper functioning society.

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# SELECTED PAST POLICY...

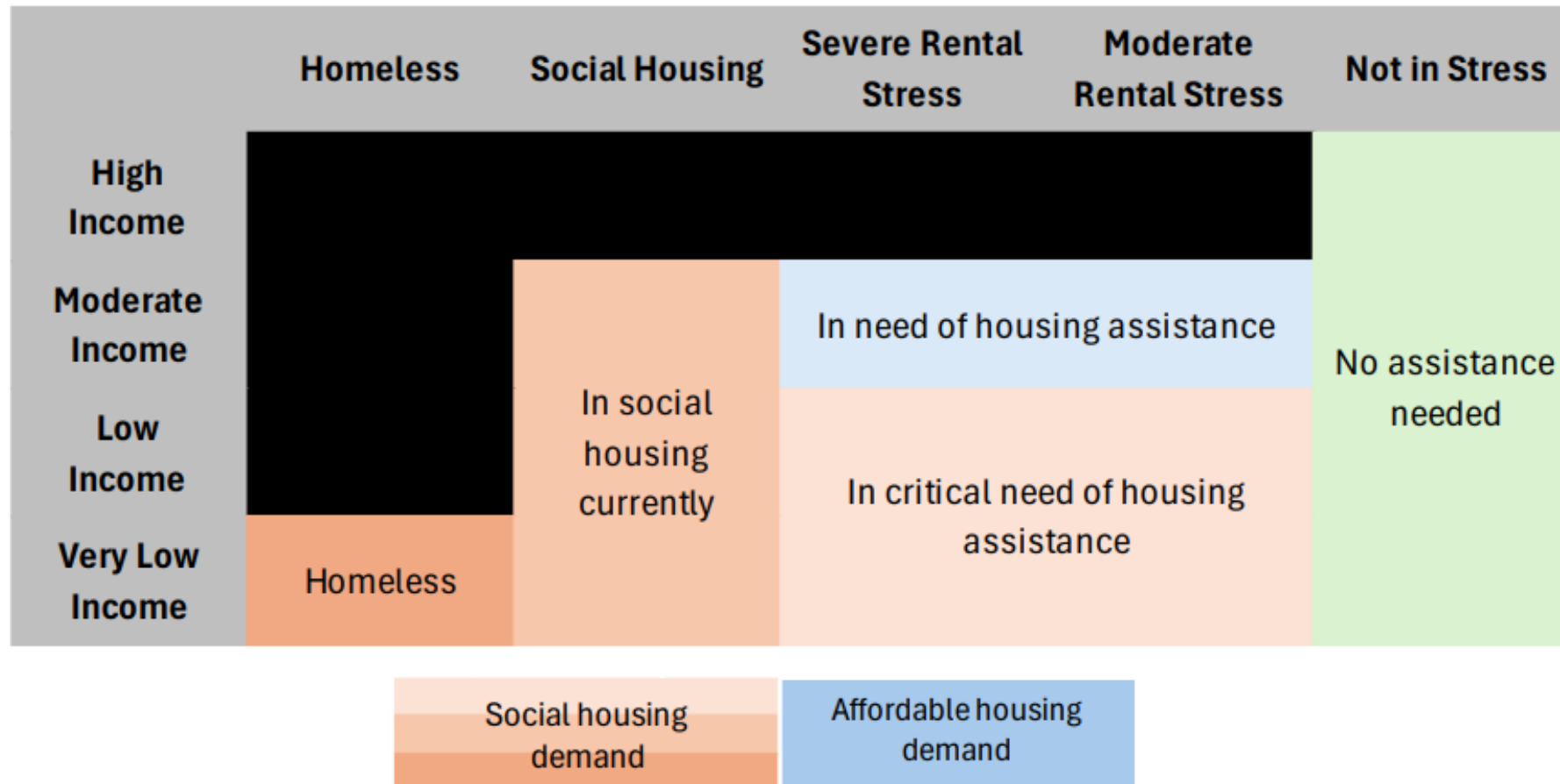
- February 2021 announcement of a **10 Year Strategy for SAH** – Discussion Paper notes Vic has lowest share of social housing of all states – approx. 3%, establishes target to achieve national share of 4.2% - **Strategy not finalised**



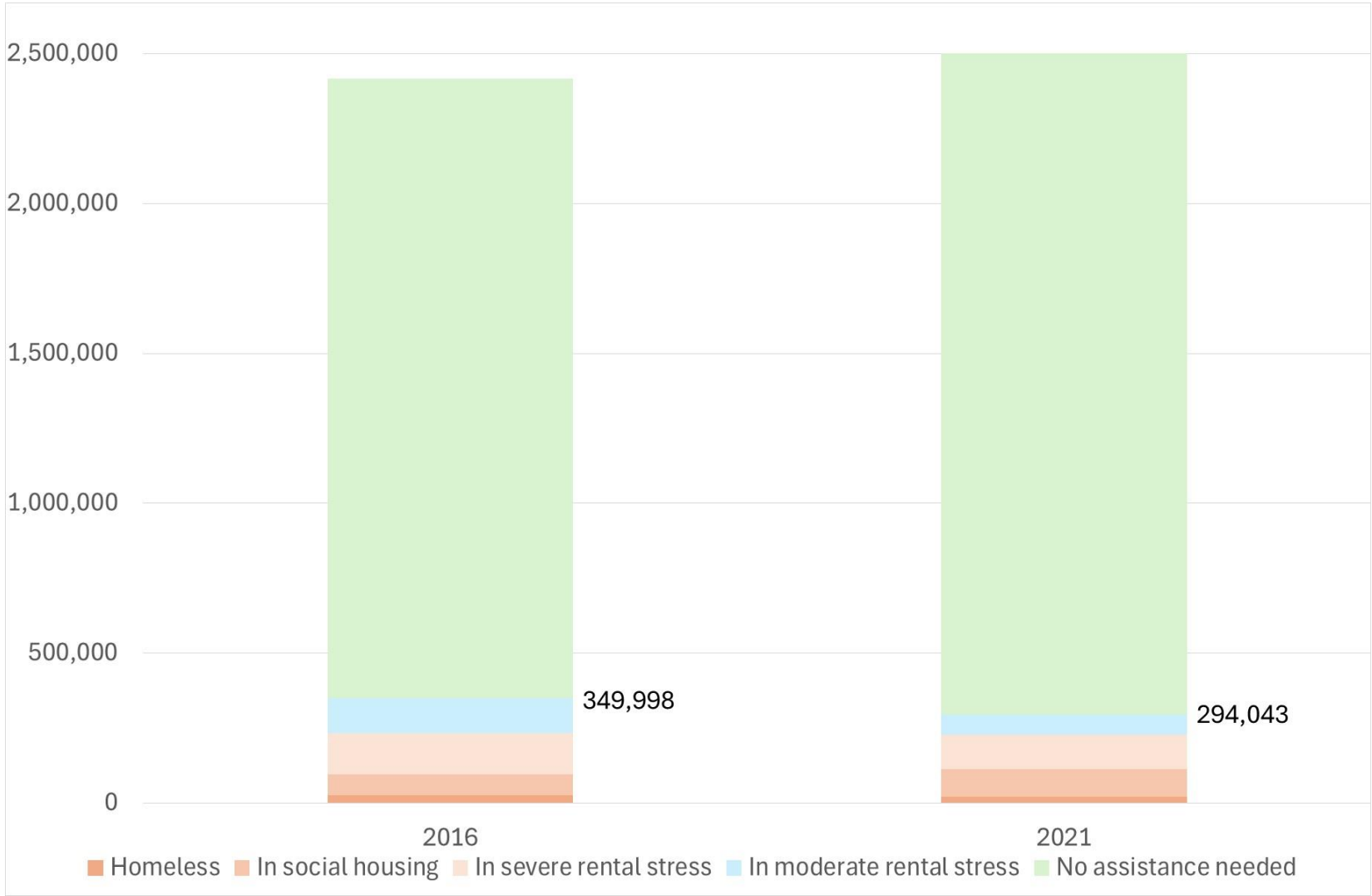
- **P&E Act 1987 amended** to add 'facilitate SAH' objective, definition 'SAH appropriate for very low, low and moderate income households', affirm s173 **voluntary** agreements for SAH
  - November 2020 \$5.3b '**Big Housing Build**' committing to **9,300** new SH and **2,900** AH
  - October 2021 **Homebuyer Fund** – shared equity scheme
  - February 2022 **SAH contribution** announced – 1.75% of complete project value on 3+ dwg developments in Gtr Melb, Geelong & Bendigo, Ballarat – to raise \$800m per year for up to 1,700 dwgs – **then withdrawn**
  - **National Housing Accord** – 1.2m new homes over 5 years from 2024 - \$350m over 5 years to support 100 AH, States and Territories committed to an additional 10,000 AH (Vic 2,546)
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# SPECTRUM OF NEED

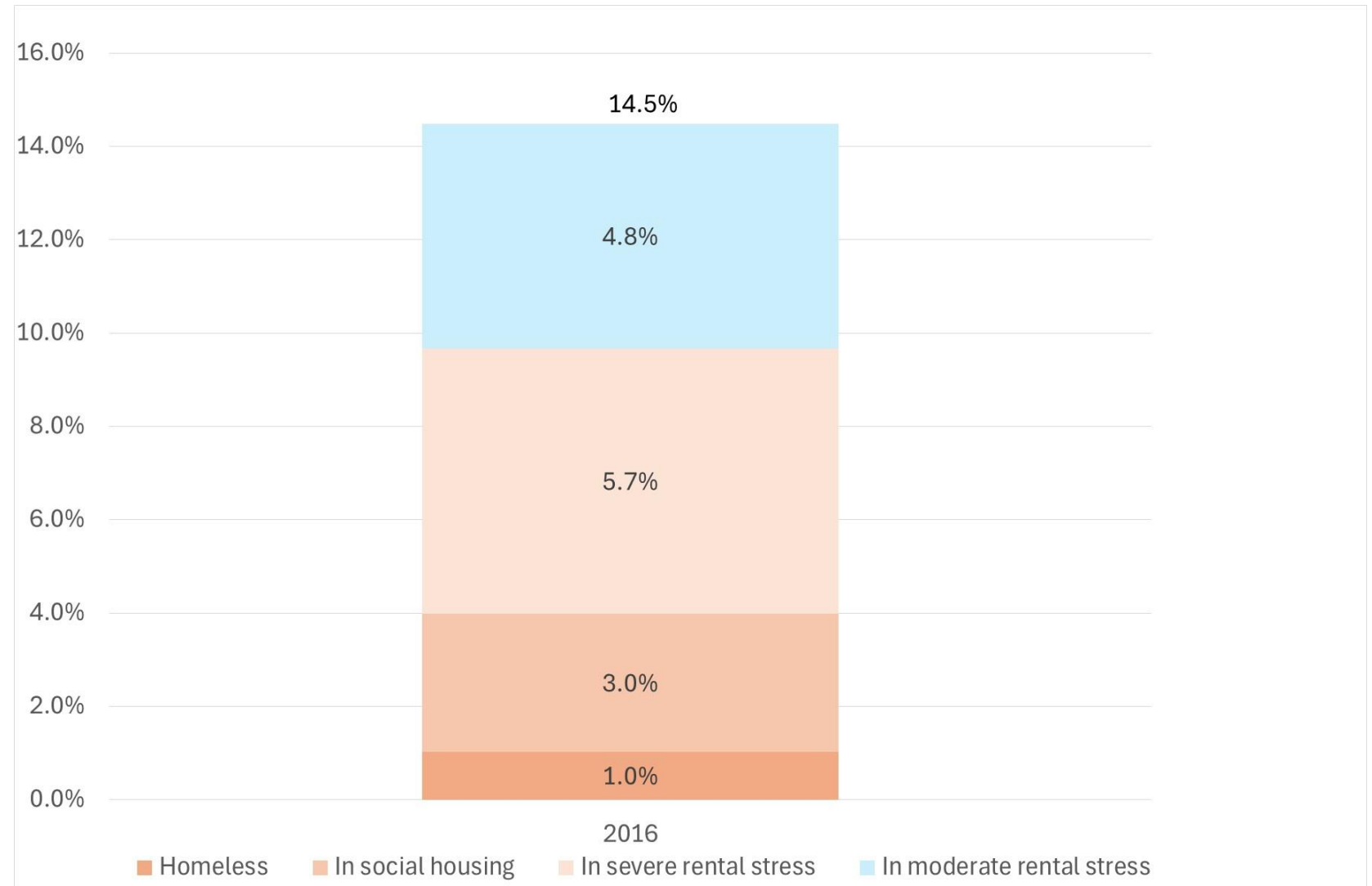


# NEED IN VICTORIA



Source: SGS Economics & Planning, based on ABS Census 2016 and 2021.

# SHARES IN RENTAL STRESS IN VICTORIA



Source: SGS Economics & Planning, based on ABS Census 2016 and 2021.

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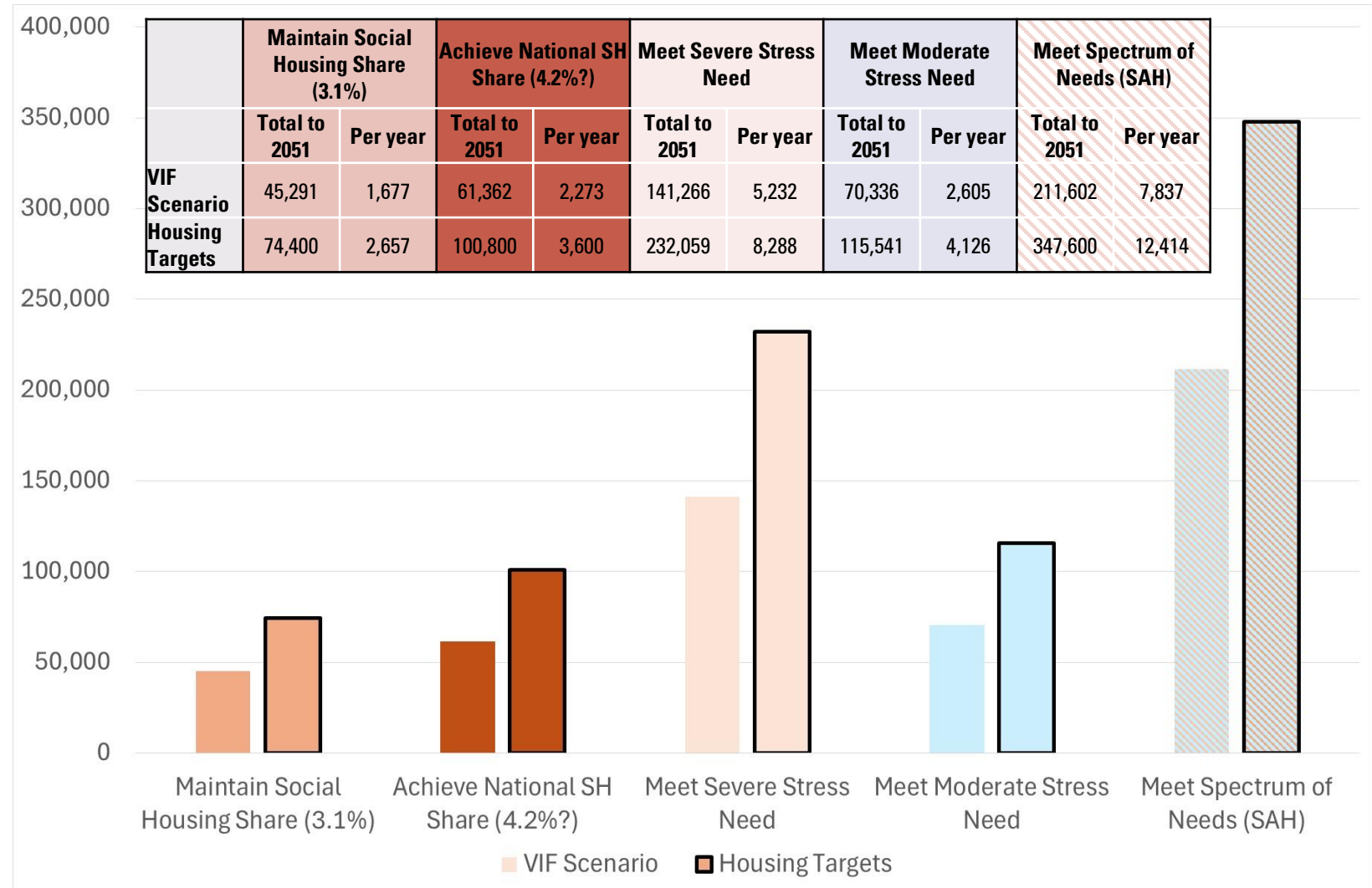
# SO HOW MUCH SAH IS NEEDED?

## Past and future dwellings in Victoria

Scenario	Change 2011 - 2021	Dwellings per year 2011 - 2021
Historic	468,830	46,883
	Change 2024 - 2051	Dwellings per year 2024 - 2051
VIF Scenario	1,461,000	54,111
	Change 2023 - 2051	Dwellings per year 2024 - 2051
Housing Targets	2,400,000	85,714
	2,461,200	87,900

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# SO HOW MUCH SAH IS NEEDED?





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# SUMMARY OF PIA SAH POLICY POSITION PAPER – UPDATE 2023

- Federal, state and local government are expanding policy and investment in SAH
  - Planning plays a critical role in an efficient supply of private market housing – but it should play a more direct role in provision of SAH
  - Voluntary contributions for SAH through the planning system create uncertainty and are inadequate
  - Other major initiatives are still not addressing SAH deficit
  - PIA Vic supports mandatory contribution to SAH through the planning system – either or both of value sharing or inclusionary requirement
  - Public land can be leveraged more effectively for SAH
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# PIA POSITIONS

## **PIA's key 2025 federal election priorities**

Included under 'More well-located housing' – **Setting a national target for 6% of housing to be social and public housing.**

## **2023 PIA Vic SAH Position Paper - Update**

- Introduce a mandatory Social and Affordable Housing Inclusionary Contribution for all development.
  - Ensure that redeveloped social housing sites generate a net increase in the number of social housing units, alongside new affordable housing.
  - Establish processes and guidelines to increase the deployment of surplus state or local public land for social and affordable housing where appropriate.
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# PIA POSITIONS

## **2023 Better Places Better Housing: A Planning Reform Agenda**

Introduce development contributions for Social & Affordable Housing which recognises its role as critical local infrastructure.

- Application to more than just the residential property class. (A broader base would also mean that a lower rate of contribution would be possible)
  - Application across the whole state and not specific locations for simplicity and addressing key worker housing needs in many regional areas.
  - Contribution amounts that are clear, and pre-scheduled if possible, rather than subject to an 'as-if-complete' valuation process.
  - Contributions occurring or required at a point in the development process which has regard to the timing of cashflow/holding charges.
  - Contributions should initially be introduced with a reasonable lead time (e.g. 2-3 years) and then phased – so that the rate of contribution is low initially and increases incrementally over time.
  - Transparency regarding the funds collected, with an advisory body being established to help government allocate where and how proceeds would be invested
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# CAN PLAN FOR VIC DELIVER?

Affordable housing – lost in transition...

Original Discussion Paper	Final Plan for Victoria
<ul style="list-style-type: none"><li>• <b>Affordable housing</b> and choice</li><li>• <b>Equity</b> and jobs</li><li>• Thriving and liveable suburbs and towns</li><li>• Sustainable environments and <b>climate action</b></li></ul>	<ul style="list-style-type: none"><li>• Self-determination and caring for Country</li><li>• Housing for all Victorians</li><li>• Accessible jobs and services</li><li>• Sustainable environments</li><li>• Great places, suburbs and towns</li></ul>

## Plan for Vic Action 4

- *Consider setting policy targets for percentage of new homes that are social or affordable.*
- *Review the legislative framework that supports the delivery of social and affordable homes.*

Encouraging but also disappointing – Opportunity missed to announce a well-thought through robust mandatory contribution to social and affordable housing

Note: Inclusionary requirement of 1.5% of residential and 0.3% of non-residential floor area for AH currently on exhibition for inclusion in five western Sydney councils' LEPs

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