

affordable,
accessible
and
sustainable
homes



March 2010

the victorian integrated
housing strategy

Message from the Premier

A safe, secure home is essential for all Victorians.

However, the type and location of the housing that each person needs varies enormously according to family circumstances, employment, social networks, income and personal preference.

Australia has a complex housing sector with major roles played by each level of government, large developers, individual investors, community organisations and a wide range of agencies that provide home ownership, rental and emergency housing options.

We have one of the highest rates of home ownership in the world, with the home mortgage usually the largest debt carried by families and mortgage repayments or rental the largest single weekly expense for most people and households.

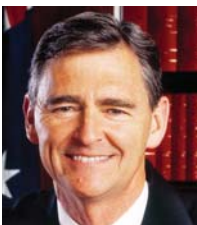
State governments play a critical role in overseeing the housing sector, as well as being the principal provider of public housing to support those members of our community who are unable to find affordable rental homes.

In recent years, the Victorian Government has been a leader in reforming the housing sector. In many cases, our actions have set the pattern for reforms now being undertaken nationally and in other states.

The Rudd Government's commitment to working with states and territories to reduce homelessness, new national agreements on housing and the injection of almost \$5.6 billion in economic stimulus funding to boost social housing have assisted Victoria's efforts in these areas and are a welcome step forward.

Housing policy is constantly evolving to suit economic conditions, population trends and other challenges. The Government believes Victoria is on the right path to meet these challenges. In particular, our large investment in social housing and our efforts to streamline the planning system to speed up private sector investment in housing are keeping the Victorian economy competitive, securing jobs and making sure that the supply, quality, diversity and affordability of homes in Victoria keeps pace with our strong population growth and the many other changes taking place across our state.

The Victorian Integrated Housing Strategy builds on the Government's leadership to date and puts in place a broad agenda to provide housing for all Victorians that will be more affordable, more accessible and more sustainable.



John Brumby
Premier of Victoria

A handwritten signature in blue ink, which appears to read "John Brumby". The signature is fluid and cursive, written in a professional style.

Message from the Ministers

The Victorian Integrated Housing Strategy addresses the housing issues facing four key groups in our community: home buyers, private renters, residents of social housing and homeless people.

For each of these groups, the Victorian Government already has programs in place to increase housing supply, expand housing choice and improve housing quality, affordability and accessibility. With climate change likely to have an increasing impact on our housing options and choices, programs are also underway to make our homes more sustainable through better design and the use of appliances and materials that reduce energy and water consumption, as well as increase safety from bushfires.

The strategy focuses the Victorian Government's efforts in five strategic directions:

- Supporting home buyers by expanding housing supply, particularly in areas accessible to public transport and jobs
- Helping private renters by facilitating the supply of rental housing and improving security, rights and conditions for renters through better regulation
- Meeting the needs of people living in social housing by providing housing opportunities and helping them to find pathways to private rental or home ownership, education and jobs

- Reducing the incidence of homelessness and helping people to rebuild their lives and move into more secure housing
- Encouraging good and innovative housing design to create homes for all Victorians that can adapt to their changing circumstances and that are affordable, accessible and sustainable.

Through the strategy, the Government will continue to work with the construction industry, developers, investors, community organisations, housing agencies and other levels of government to meet Victoria's future housing needs.

Meeting the demands of strong population growth, an ageing population, climate change and other economic, social and environmental changes poses significant challenges for Victoria's housing sector. By working together through the Victorian Integrated Housing Strategy, we can ensure that our housing sector has the capacity and strength to meet these challenges.



Richard Wynne
Minister for Housing



Justin Madden
Minister for Planning



Tony Robinson
Minister for Consumer Affairs

HIGHLIGHTS OF THE VICTORIAN INTEGRATED HOUSING STRATEGY

The strategy outlines a series of priorities across five strategic directions: home buyers, tenants in the private market, social housing, homeless Victorians and better homes. These priorities will guide the Victorian Government in making decisions about future programs and investment in housing.

The strategy also includes a number of actions and initiatives the Brumby Government will take under each priority to achieve more affordable, accessible and sustainable homes across Victoria. Some of these actions are already underway; others will commence this year. Many will be delivered through new national agreements through which Victoria is working closely with the Commonwealth Government and other Australian states and territories.

Highlights of the strategy include:

- A major push to increase the supply of housing in existing urban areas by freeing up surplus government land, requiring VicUrban to facilitate the delivery of more housing in established areas and the introduction of a new urban development zone to promote redevelopment on urban brownfield sites. This will deliver thousands of new homes over the next 10 years, while helping to reduce urban sprawl and increase the diversity and affordability of housing
- New planning initiatives to make sure that the supply of housing keeps pace with long-term population growth and demographic change, including speeding up larger scale housing developments, encouraging more housing on under-used urban land and making sure that high growth areas plan for future aged care facilities
- Ongoing initiatives to stimulate private sector investment in the rental market
- Improvements to the protections, rights and conditions for tenants, better regulation of owner/renter arrangements in caravan parks and a package of measures to improve and enforce standards in rooming houses
- An increase in the supply and quality of social housing in Victoria, including an expansion of the role of housing associations and community housing organisations in providing social housing
- An expansion in housing options for the most vulnerable Victorians and greater support for disadvantaged social housing tenants to find pathways to education, training, employment and participation in their communities
- A new 10-year Victorian homelessness strategy and a much greater emphasis on prevention and early intervention, more flexible services and new service models to reduce and break the cycle of homelessness
- Greater support for better housing design, including new minimum accessible design standards for new housing, better information on affordable and sustainable building materials, and encouraging innovative building practices and conversions
- Ongoing actions to achieve higher levels of water and energy efficiency in homes and to promote 'green' housing and homes that can adapt to a changing climate
- A broader role for the Victorian Building Commission, including promoting accessible housing standards and helping the building industry to meet new green housing and building climate change objectives.

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Housing in Victoria: changes, choices and opportunities

Housing matters greatly to Victorians.

Our choice of housing can have an enormous impact on our lives, affecting where our children go to school, the health services we use, our recreational activities, where we find jobs and our transport requirements. Planning for housing influences the size, nature and diversity of our communities. Constructing and renovating houses creates jobs and drives economic growth. Good housing design can improve our health and wellbeing, protect the environment and help us to manage vital natural resources – such as water and energy – more efficiently.

Our homes also reflect what is important to us, reinforcing our personal identities and providing security and stability. Most of us aspire to home ownership, and buying a home will be the single largest financial investment we will ever make. Many Victorians will achieve this goal, others will continue to pay off a mortgage or rent, and a small but significant number of people in our community will live in social housing or – at times – crisis or emergency housing.

CHANGES AND CHOICES

As our population grows and changes, more diverse housing and tenure arrangements will be needed to reflect the circumstances, lifestyles and choices of Victorians. Our housing sector will also need to respond to changing economic conditions, social inequality, changes in the make-up of households and climate change. In other words, we have to rethink the type, size and location of the homes we need for the future.

Population changes

Our success in attracting people from interstate and overseas and a higher fertility rate has led to rapid growth in Victoria's population. In 2001, Victoria was home to 4.8 million residents, including 3.5 million in Melbourne. By 2030, Victoria is likely to be home to 7 million people, with 5.2 million living in Melbourne. To match this growth, we will need to provide around 600,000 new homes in Melbourne and around 200,000 in regional Victoria over the next 20 years.

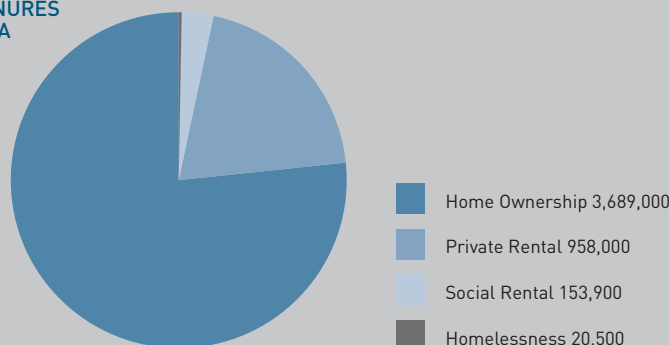
Meanwhile, an ageing population and more people of all ages choosing to live alone means that the number of people in the average Victorian household has been declining, with this trend projected to continue albeit at a slower rate.

While this suggests that smaller homes could meet the housing needs of many Victorians, our homes are getting larger. The average floor area of new free-standing homes in Australia has increased by 13 per cent over the past decade. In 2009, Victorian homes averaged 249.5m², slightly more than the average for Australia of 245.3m².

There have also been changes in the profile of the private renter. Where renting was once a step between a person's childhood home and independent home ownership, it is now a longer term or permanent housing choice for many Victorians due to a combination of lifestyle preferences, financial circumstances and employment opportunities.

FIGURE 1 → HOUSING BY TENURES
TYPE IN VICTORIA

SOURCE: ABS CENSUS, 2006



Housing supply

A number of factors support strong housing supply in Victoria, including:

- A healthy and active development sector
- Large areas of zoned land available for housing development in growth areas
- Active programs to promote the redevelopment of brownfield sites in existing urban areas.

These factors have been strengthened by a number of targeted efforts, most notably:

- The Commonwealth Government’s First Home Owner’s Boost and significant investment in new social housing through the 2009 Nation Building and Jobs Plan
- The Victorian Government’s First Home Bonus
- Funding available through the joint Commonwealth-State National Rental Affordability Scheme to organisations providing new affordable private rental housing.

FIGURE 2 → POPULATION GROWTH, VICTORIA, 2006–2036

SOURCE: VICTORIA IN FUTURE, 2008

VICTORIA
MELBOURNE
REGIONAL VICTORIA

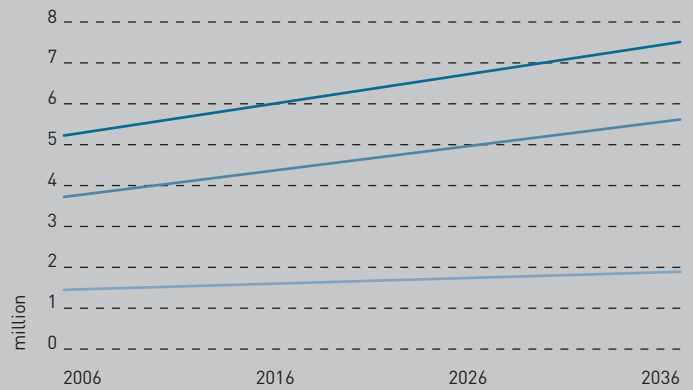


FIGURE 3 → AVERAGE HOUSEHOLD SIZE, VICTORIA, 1991–2036

SOURCE: DPCD SPATIAL ANALYSIS, 2008

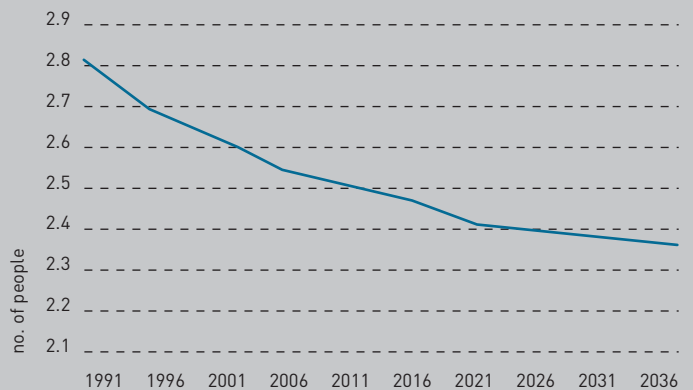
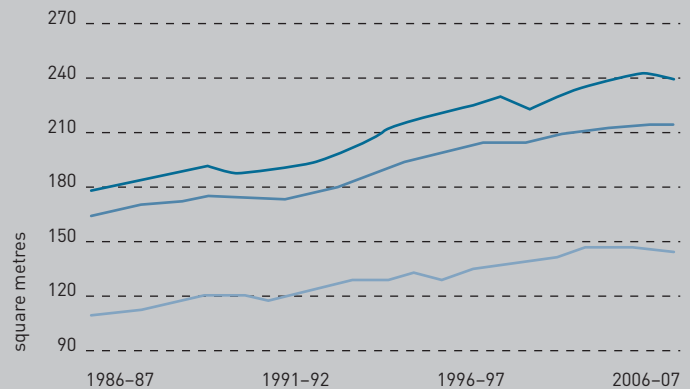


FIGURE 4 → AVERAGE FLOOR AREA OF NEW RESIDENTIAL DWELLINGS, AUSTRALIA, 1986–2007

SOURCE: ABS, BUILDING APPROVALS, CATALOGUE NO. 8731.0

HOUSE |
TOTAL RESIDENTIAL |
OTHER RESIDENTIAL |



While these supply factors are strong, it is clear that the supply of housing in Victoria will need to increase significantly to keep pace with population growth.

New housing also needs to be well located and well priced, so that more people can afford to live close to their family, friends and workplaces. This not only enables a better work–life balance for individuals and families, it also helps to reduce traffic congestion and pollution, and the expense associated with providing new transport infrastructure. Increasing the supply of housing in appropriate locations is one of the underlying aims of the Victorian Government’s *Melbourne 2030* and *Melbourne@5million* strategies to manage population growth and direct new housing closer to public transport and services.

While the rapid rise in Victorian house prices over the past decade appeared to be slowing at the start of 2009, this turned out to be a short-term response to global economic conditions rather than a reduction of long-term pressures on housing affordability. While there is some expectation of more modest growth in house prices in 2010, it is clear that unless underlying housing supply issues are addressed, affordability will continue to be an issue for many Victorians – with far-reaching economic, social and environmental consequences.

Private rental market

As the demand for rental housing outstrips supply and rental vacancy rates fall to an all-time low, rents have risen, particularly for housing closer to population and employment centres. This means that Victorians with low incomes, a lack of social connections or particular social, health or personal needs are finding it increasingly difficult to access and maintain private rental housing. Greater support, including an adequate supply of affordable private rental housing, will be required to meet their housing needs.

Social housing

The tight rental market is increasing pressure on the availability of social housing in Victoria.

Despite declining funding contributions for social housing from the previous Commonwealth Government, the Victorian Government has increased the supply of social housing since 2000. New funding from the current Commonwealth Government will drive growth in social housing at a much greater pace. Construction of social housing in Victoria has already been brought forward and new developments are being delivered with the support of housing associations and the building and construction industry.

Safety, accessibility and sustainability

Drawing on Victoria's rich legacy of architectural and building excellence will be critical to designing housing that meets a wider range of needs.

Our ageing population and decreasing household size demand flexible and adaptable designs that can accommodate people with limited mobility and people living alone. With our homes contributing significant carbon emissions and accounting for more than half the water consumed in Melbourne, we also need to design houses for more efficient energy and water use.

Managing urban sprawl and reducing emissions from transport will require higher density residential developments and the greater and more creative use of under-utilised urban land.

AN INTEGRATED APPROACH

The Victorian Government's approach to meeting Victoria's housing needs responds to the changes and challenges facing the state over the next two decades.

The Government recognises that a good housing market is one that meets demand, is affordable and competitive, delivers safe, accessible and environmentally sustainable housing, and provides enough diversity to meet community needs.

Government support and intervention has a role to play in creating such a market – by improving the efficiency and effectiveness of the market, setting standards, developing efficient and flexible planning systems, and forming partnerships with the private sector and social housing providers to lead by example in developing affordable, accessible and sustainable housing.

The Victorian Integrated Housing Strategy identifies future strategic directions and emerging priorities that will be critical to creating a good housing market in Victoria. The strategy adopts a collaborative approach to developing and delivering policies and actions across the Victorian Government which will be delivered in partnership with not-for-profit housing providers, the private sector and the broader Victorian community.

This approach will underpin future policy directions and shape future investment in housing in Victoria. It will also enable strong partnerships to be built with housing service providers, encourage an efficient and innovative housing industry and give Victorians a greater choice in the type, location and design of their homes.

WHAT WILL THE VICTORIAN INTEGRATED HOUSING STRATEGY ACHIEVE?

Over the longer term, the strategy aims to achieve:

- More diverse and affordable housing options for Victorians
- A supply of housing that reflects Victoria's population growth and demographic change
- A significant increase in the supply of housing in existing urban areas
- An efficient and flexible planning system that supports the right quantity, quality and type of housing in the right locations
- A greater supply of affordable rental housing and more security and stronger rights for renters whether they live in a house, unit, apartment, rooming house, retirement village or caravan
- An increase in the supply and quality of social housing and an expanded role for housing associations in providing social housing
- A significant reduction in homelessness
- More housing options and greater support for vulnerable Victorians in social housing, including people with a disability or mental illness and Indigenous Victorians
- Better designed homes that are more water- and energy-efficient, more accessible and that can adapt to a changing climate.

The strategy delivers a comprehensive approach to housing – one that is coordinated across all Victorian Government agencies responsible for housing and that is better integrated with the combined efforts and skills of government, planners, developers, community housing providers, architects, builders, real estate agents and investors.

Importantly, the strategy positions Victoria to respond to commitments under the National Affordable Housing Agreement, national partnership agreements on housing and homelessness and broader national efforts aimed at increasing housing supply and assisting vulnerable people.

A NATIONAL PARTNERSHIP APPROACH

A number of initiatives included in the Victorian Integrated Housing Strategy are being delivered in partnership with the Commonwealth Government or as part of new national agreements being overseen by the Council of Australian Governments. This national approach will provide substantial additional funding to the states and territories to assist them to meet the housing challenges ahead and to improve the support, opportunities and options available to disadvantaged individuals, families and communities.

These agreements include the:

- *National Affordable Housing Agreement* – This agreement provides \$6.2 billion across Australia over five years from 2009 and is the framework for the Commonwealth, State and Territory Governments to work together to improve housing affordability and homelessness outcomes for Australians, and auspices the following four agreements.
- *National Partnership Agreement on Social Housing* – This agreement provides \$400 million for a Social Housing Growth Fund to address the critical shortage of social housing across Australia. Under the agreement, the states and territories will increase the supply of social housing, provide opportunities to expand the not-for-profit housing sector and support initiatives that will improve the ability of people who are homeless or at risk of homelessness, as well as families on low incomes, to move to secure, safe and long-term housing that meets their needs.
- *National Partnership Agreement on Homelessness* – Through this agreement, the Commonwealth, State and Territory Governments will work together to significantly reduce homelessness by 2013. The agreement provides \$800 million across Australia to improve support and services for homeless people, increase prevention and early intervention and break the cycle of homelessness. The agreement also implements the Place to Call Home Initiative.
- *National Partnership Agreement on Remote Indigenous Housing* – This agreement provides an additional \$1.9 billion across Australia to improve housing outcomes for Indigenous Australians by reducing overcrowding, homelessness, poor housing conditions and severe housing shortages.
- *Nation Building and Jobs Plan* – The Social Housing Initiative under this agreement provides \$5.6 billion to boost social housing stock and upgrade existing public housing across all Australian States and Territories.

The Victorian Integrated Housing Strategy also includes specific initiatives that will contribute to agreed national reform directions in the housing sector.

Direction 1 → Home buyers

As Victoria's population grows and changes, we will need to increase the supply of housing, giving Victorians the opportunity to live in homes that meet their needs and that have good access to jobs, shops, transport, schools and other services. At the same time, we need to contain urban sprawl, reduce the impact of our homes and residential developments on the environment, and create strong, vibrant communities.

Victoria's fast-growing population and the trend towards smaller households mean that we will need more housing than previously anticipated. Some areas – such as Melbourne's outer suburbs and our large regional centres – will experience more growth than others over the next 20 years and will need to supply housing to match this growth.

Melbourne will need at least 30,000 more homes each year just to keep up with demand, with another 10,000 homes needed in regional Victoria. Another key priority is replacing homes lost in the 2009 bushfires.

As new homes and residential developments are built to meet this growing demand, they will need to be well-located in terms of access to services and infrastructure, use water and energy more efficiently, and be linked with vibrant, supportive communities. To reduce urban sprawl in Melbourne and large regional cities, much better use of existing land and greater innovation in the way these sites are redeveloped are essential.



WHAT WE'VE DONE ALREADY

The Government has taken action to make home ownership more possible, boost the supply of housing and improve the process of buying and selling homes, including:

- Offering the most generous first home owner scheme in Australia, with more than 370,000 first home buyer grants provided since 2000
- Raising stamp duty thresholds on properties by 10 per cent in May 2008 and introducing a stamp duty concession on homes purchased as a principal place of residence from January 2007
- Protecting home purchasers from practices such as dummy bidding and under-quoting at auctions
- Cutting red tape in planning and streamlining decision making for new residential developments
- Developing more than 3300 houses on government-owned land in partnership with the private sector, including at Kensington Banks, Beacon Cove, Kew and Parkville
- Encouraging redevelopment at brownfield sites closer to the city, including the Laverton Airbase, the Maribyrnong Munitions Factory and the Australian Paper Mill site at Fairfield
- Providing more land for housing in Melbourne's growth areas and providing more than \$30 million to the Growth Areas Authority to develop new communities
- Developing plans for the growth of large regional cities, particularly Geelong, Ballarat and Bendigo
- Releasing over 5,000 lots for development in Melbourne and regional Victoria through VicUrban

OUR GOALS FOR THE FUTURE

Stimulating the supply of diverse, affordable housing in appropriate locations raises many challenges for governments, communities and the building and construction industry. However, Victoria's housing market has firm foundations: a modern and efficient planning system, streamlined building regulations, a strong construction sector and a good supply of land to support future urban growth.

To build on this foundation and meet Victoria's future housing needs, the Government aims to:

- *Increase the supply of housing in established areas* – Melbourne's strong growth means that more effort will be needed in existing urban areas to make land available for development, including freeing up surplus government land and developing brownfield sites.
- *Create an efficient and flexible planning system* – To develop the right quantity, quality and type of housing in the right locations, Victoria's planning system will need to accommodate more sustainable building designs, denser development in some areas and the more creative use of existing land.
- *Support home ownership* – Higher property prices have made it difficult for many Victorians to buy their first homes and are placing others under financial pressure as a result of high household debt. Grants from the Victorian and Commonwealth Governments have helped many first home buyers.
- *Maintain the strength of Victoria's building and construction industry* – This industry employs thousands of Victorians, generates substantial wealth for our state and has consistently delivered high levels of building approvals, stable building companies, steady employment and high consumer confidence. To increase housing supply in the decades ahead, the building and construction industry will need to sustain this strength, while becoming more innovative and flexible.
- *Meet infrastructure needs* – A home's amenity and affordability is affected by access to essential infrastructure and services, as well as proximity to jobs. Future housing developments must be integrated with infrastructure and service planning, whether they are located in existing suburbs, growth areas or regional towns. Developments will also need access to the infrastructure required to grow into strong, supportive communities that offer attractive, safe and high quality lifestyles to residents.

PRIORITIES AND ACTIONS

The Government has set five priorities for supporting Victorian home buyers and meeting the growing demand for housing. In each of these five areas, the Government will take a number of actions.

PRIORITY 1: SUPPORTING HOME PURCHASE AND OWNERSHIP

Building on the support already provided to Victorian home buyers, the Government will:

Provide first home owner assistance

First Home Bonuses available in Victoria have significantly increased first home purchases. To maintain momentum in this important area, stimulate new home construction and help more Victorians to become home owners, the Victorian Government's First Home Bonus and Regional First Home Bonus have been extended to 30 June 2010.

The threshold value of the home for which a Bonus is available has increased to \$600,000, offering more choice for first home buyers. In addition, stamp duty concessions are available for owner-occupiers and for people who purchase off-the-plan. Grants worth \$11,000 for new homes and \$2000 for established homes bought in Victoria are now being offered. An additional \$4500 grant is also available for first time buyers purchasing new homes in regional Victoria.

Providing information to help co-buyers

Buying a home with financial support from family or friends can be a great help to first home buyers. However, these arrangements can expose co-buyers to unforeseen financial obligations or taxation implications, and raise questions about each party's share of ownership, ongoing obligations and future entitlements. Developing and enforcing co-buying agreements and avoiding conflict can be costly.

The Government will make co-buying arrangements easier by developing a co-buying guide and template agreements that deal with ownership and financial issues, and providing information on how to build effective and enduring co-buying arrangements in the private market. Consideration will be given to clarifying or tightening laws to protect co-owners.

PRIORITY 2: FREEING UP AND DEVELOPING GOVERNMENT LAND

The Government is adopting a strong focus on stimulating housing development in existing urban areas. To help achieve this aim, the Government will:

Free up surplus government land

Every year, governments dispose of surplus land that could be suitable for housing and other developments. A number of these sites are large and well-located, such as land along railway lines and road reserves, and former school sites, depots and public buildings.

In 2010, a Best Use Surplus Government Land Policy is being developed and trialled in relation to selected sites. This policy could deliver a substantial number of new homes in established areas over the next 10 years and be designed to create opportunities to leverage other important objectives, such as providing more diverse and affordable social and aged care housing, and housing for people with a disability.

Speed up the development of surplus government land

The Government has worked with the private sector to develop housing at several Government-owned sites, including the 20-hectare Commonwealth Games Village site at Parkville, the Dandenong saleyards site and the Kew Residential Services site. The Government will increase this type of development by:

- Speeding up the development of former school sites
- Giving priority to releasing surplus sites in Broadmeadows, Highett, Clayton and Taylors Hill
- Accelerating the development of the 128-hectare former Department of Defence site at Maribyrnong, with VicUrban facilitating industry to build more than 3000 homes
- Working with regional cities to identify new development opportunities at government sites.

VICURBAN

VicUrban, the Victorian Government's land development agency, has a long history of stimulating housing supply and developing successful communities across the state.

In Melbourne's growth areas, at Docklands and in selected metropolitan Melbourne locations, VicUrban is a leader in large-scale urban residential development.

VicUrban also develops innovative and sustainable housing projects in regional cities and towns such as Shepparton and Swan Hill.

With more than 20 active and planned projects across Victoria, VicUrban is one of the state's largest residential land developers.

VicUrban projects include:

- Aurora in Epping North – the largest master planned community of its kind in Australia that includes 6-Star energy designed homes, fiber optic connections and the use of recycled water
- The Revitalising Central Dandenong initiative, which includes the Metro Village residential development on the former Dandenong saleyards site and Dandenong LOGIS, Victoria's first eco-industrial park
- VicUrban@Officer – VicUrban has assembled land around the Officer train station for a mixed-use development that includes homes for up to 15,000 people. The project is one of 16 selected worldwide to partner with the Clinton Climate Initiative to investigate the local production of clean energy technologies, test the use of green vehicles and design buildings to minimise electricity use.

PRIORITY 3: REFOCUSING VICURBAN

VicUrban, the Government's land development agency, has been successful in developing sustainable, affordable communities in Melbourne and regional Victoria. To ensure VicUrban plays a leading role in providing more housing in existing urban areas, the Government will:

Set a new mandate for VicUrban

VicUrban's mandate will be refocused towards supporting more housing in established areas, particularly along major public transport routes, in activity centres in metropolitan Melbourne and in large regional centres. These new residential developments will demonstrate high quality, affordable and sustainable housing. VicUrban will be given a mandate to:

- Assemble, consolidate and prepare land in existing urban areas for higher density housing development
- Encourage a diverse range of housing types, including smaller dwellings
- Supply competitively priced lots to the housing construction industry
- Work in partnership with housing providers to develop more inclusive residential estates
- Encourage the delivery of affordable, accessible and sustainable high density housing.

PRIORITY 4: ENSURING PLANNING PROCESSES PROMOTE HOUSING DEVELOPMENT

To continue to build an efficient, flexible planning system that supports long-term growth and drives housing development, the Government will:

Plan for long-term growth

Through *Melbourne 2030*, *Melbourne @ 5 million* and the Growth Areas Authority, the Government has introduced initiatives aimed at managing growth in Melbourne and regional centres. The Government will continue to plan for growth by:

- Working to ensure that established residential areas accommodate 53 per cent of new homes, with growth areas supplying the balance
- Setting a target for a minimum of 15 dwellings per hectare on developable greenfield land
- Delivering new planning initiatives to support growth and development in regional areas as part of a new *Blueprint for Regional Victoria*, to be released this year.

Introduce a new urban development zone

Brownfield sites – former industrial sites and under-utilised urban land – provide an excellent opportunity for new housing developments. Typically these sites include former factories, warehouses, docklands and transport depots, which often have the advantage of being close to the city and established transport networks.

To speed up the redevelopment of these sites, the Government will introduce a new planning zone: the urban development zone. This zone will be available for large redevelopment sites and precincts in existing urban areas. It will operate in a similar way to the Urban Growth Zone in Melbourne's fringe by clearly designating sites suitable for redevelopment and accelerating development in existing urban areas.

Speed up priority housing developments

In February 2009, planning reforms were announced to fast-track key building projects. Large-scale housing developments that can be considered by the Minister for Planning for a fast-tracked assessment include private developer proposals and housing association and public housing developments. Sites already part of this process include the 16.5 hectare Amcor site at Fairfield and the Pentridge Prison redevelopment in Coburg. The Government will continue to monitor the operation of these planning reforms to ensure that they accelerate large, strategically located housing developments.

Identify housing supply requirements for all metropolitan areas

Communities, developers and governments must have a clear understanding about the amount and diversity of housing that will be required to meet future needs. The Government has commissioned experts to work with local councils across Melbourne to calculate the housing capacity of each municipality, establish clear housing growth requirements for the future and develop local strategies to plan for and meet this growth. This work will be completed by 2011.

The Government is also proceeding with the Local Action on Affordable Housing project – a partnership with six local councils that will facilitate affordable housing developments, undertake planning for affordable housing and explore new ways to deliver affordable housing in each municipality.

Encourage the development of more aged care facilities

By 2030, approximately one in four Victorians will be aged 60 or over, and the percentage of those aged 80 and over will grow from 3.9 per cent to 6.2 per cent. While there is a trend for older people to stay in their homes longer, there will be an increased demand for residential aged care facilities. Through the Aged Care Land Bank Program, the Government has supported the not-for-profit sector to purchase or lease surplus government land at reduced rates to build aged care facilities, and has removed the need for a planning permit to locate a residential aged care facility in an urban residential zone.

The Government will continue to encourage the development of new residential aged care facilities by planning for the future location of these facilities (informed by monitoring the supply of residential aged care facilities and retirement and rental villages) and making sure – through the Growth Areas Authority – that new communities in Melbourne's growth areas provide for future aged care facilities close to activity centres, key services and transport networks.

PRIORITY 5: BUILDING STRONG RESIDENTIAL COMMUNITIES

To enhance community liveability and build strong residential communities, the Government will:

Increase community and neighbourhood renewal activities

Since 2001, the Government has invested over \$350 million in the Neighbourhood Renewal Program to revitalise 21 disadvantaged communities across Victoria. Evaluations of the program indicate considerable success, including an increase in community participation and pride, the creation of over 5500 new jobs and more than 40 community enterprises, a 12 per cent increase in further educational qualifications and a 27 per cent reduction in reported crimes against property.

The Government will continue to operate the Neighbourhood and Community Renewal Programs and new partnerships will be sought to develop and embed 'place based' approaches to community renewal and revitalisation, and ongoing household and tenant participation in these activities.

Support councils to plan for the longer term

Activity centre structure plans provide for the future development of housing, employment, retail premises, offices and industrial and community uses in a particular location. These plans guide changes to land use and building density in response to local economic, housing, community and environmental needs. Importantly, they help to attract greater investment to specific areas.

Through the Melbourne 2030 Activity Centres Expert Assistance Program, the Government is helping local councils to develop and implement structure plans for activity centres. Plans are completed or underway for 98 of the 122 Central Activity Districts and principal and major activity centres across Melbourne. The Government has continued its commitment to supporting councils to develop structure plans. This long-term local planning will contribute to the creation of stronger communities, providing good access to jobs, services, transport and affordable housing.

Create better communities

The Creating Better Places Program provides grants to help local councils attract development and new economic activity, fund strategic urban improvements to public spaces, better manage changes in local populations, economic activity and environments, and build community cohesion. The program has been extended to 2010–11, supported by additional funding. This support will be complemented by local government and other State and Commonwealth Government funding programs.

Improve research into housing supply

A better understanding of the macro- and micro-economic factors influencing housing supply, demand and affordability will lead to more effective housing policies at a state and local level. Building on the Urban Development Program, which reports annually on the supply and demand for residential and industrial land in metropolitan Melbourne and Geelong, the Government will focus the Department of Planning and Community Development's research functions to support the development of innovative policy, collect richer housing market data and undertake cutting-edge economic research projects with academia and industry bodies. This research will adopt a strong focus on the drivers that influence housing markets in established urban areas.

The Department of Planning and Community Development and the Department of Human Services will also play a more active role in driving and setting housing market research agendas, by linking research functions with other government, academic and industry bodies, including the National Housing Supply Council, the Australian Housing and Urban Research Institute and the Australian Bureau of Statistics.

Direction 2 →

Tenants in the private market

Renting offers people choices and mobility. With more than 20 per cent of Victorians renting their homes, we need to ensure that the rental housing remains accessible, affordable and of good quality. We also need to ensure that vulnerable and disadvantaged Victorians can enter and stay in the rental market and that the rights of residents of rooming houses, caravan parks and retirement villages are protected.



Rising house prices, a more mobile labour force and a higher number of single person households are driving strong demand for rental housing in Victoria. But the supply of rental properties is not keeping up with demand and vacancy rates in Melbourne and regional Victoria remain very low.

Rents have increased steadily, making it much more difficult for Victorians on low incomes to enter and stay in the rental market. Low vacancies and high rents have also made it harder for people to find the housing type, quality and location they want.

With around one fifth of Victorians renting their homes – and the number of tenants increasing – an efficient, accessible rental market is vital not only for the housing security of these Victorians, but also for the future stability of the broader community and economy.

WHAT WE'VE DONE ALREADY

The Government has worked hard to improve Victoria's rental market, with recent actions including:

- Contributing \$2000 per property each year for 10 years for affordable rental properties approved under the National Rental Affordability Scheme, with 3000 new affordable homes approved in Victoria
- Providing consumers who enter into 'rent-to-buy' contracts with the same protections as other rental tenants in Victoria
- Improving legal protection for residents of rooming houses and retirement villages
- Providing better information for renters and landlords through a variety of publications, internet options and free workshops
- Producing information in multiple languages for migrants and international students about their tenancy rights and responsibilities
- Providing funding for advocacy services for private renters, such as the Tenants Union of Victoria
- Supporting outreach services for people living in rooming houses and caravan parks
- Improving tenancy protection for students by ensuring that only reputable commercial housing providers become affiliated with universities and TAFE institutes
- Providing tenancy and housing support and advice to senior Victorians, including funding for the Housing for the Aged Action Group
- Funding regional advocacy organisations to assist vulnerable and disadvantaged people across Victoria with private rental issues.

OUR GOALS FOR THE FUTURE

The Government has continued to take action to stimulate the rental market and better inform renters and landlords of their rights and obligations. To ensure that the rental market meets the needs of Victorians into the future, the Government aims to:

- *Relieve the pressure on renters* – With rising rents and low vacancy rates putting pressure on renters, action will be needed to increase the supply and diversity of rental housing, provide more affordable rental housing and support disadvantaged Victorians in the rental market.
- *Promote better quality private rental housing* – Complaints about the quality of rental housing are growing. With a greater reliance on lower quality rental housing (due to the shortage of rental properties) and tenants expecting better quality in return for rent rises, monitoring and responding to the conditions facing renters will be increasingly important in maintaining quality and standards across Victoria's rental market.
- *Improve conditions and support for vulnerable renters* – Renting should provide people with safe, secure and affordable accommodation that meets community standards. Vulnerable renters – such as people with a disability or those living in rooming houses, caravan parks, residential parks and retirement villages – will need additional support to exercise their rights and have access to a good standard of accommodation.

PRIORITIES AND ACTIONS

The *Residential Tenancies Act 1997* is the main legislation regulating Victoria's rental housing sector. To ensure that this legislation continues to meet community needs and standards, the Government will identify opportunities to modernise the Act. In addition, the Government has set six priorities to further improve the rental market and help Victorians to access well-located, quality housing and accommodation.

PRIORITY 1: IMPROVING SECURITY AND ACCESS TO HOUSING FOR RENTERS

The Victorian Residential Accommodation Issues Paper has played an important role in ensuring that people looking for and living in homes in Victoria are treated fairly, including in the specialised rooming house and student accommodation markets. The Victorian Integrated Housing Strategy takes this issue further through new initiatives that improve security and fairness for tenants and residents. The Government will:

Provide greater certainty for renters

Housing stability provides people with peace of mind, a greater ability to retain a job, better educational outcomes for children and stronger links with the local community. To better understand how landlords and real estate agents assess people for rental properties, the Victorian Government is participating in Commonwealth-led reforms of residential tenancy databases. Model provision to regulate tenancy databases are being developed under the direction of the Ministerial Council on Consumer Affairs. National consultation has been completed.

The Government's review of residential accommodation will also examine other ways to improve rental security.

Ensure fair rents

To help ensure that renters' rights are enforced, the Government provides renters with access to a service to assess whether their increase in rent is excessive. Inspectors from Consumer Affairs Victoria are available to conduct rental assessments to determine whether or not an increase breaches the *Residential Tenancies Act* and to provide conciliation services where a dispute arises. This helps to ensure fair market rents and give renters the opportunity to follow up and resolve disputes more easily.

With estate agents managing over half of Victoria's private rental housing, the Government is working with the Real Estate Institute of Victoria to improve efficiency, competition and probity in the rental market. The Government is also working with the Commonwealth Government and other states and territories to develop a national licensing scheme for estate agents.



Better regulate student accommodation

Commercial student accommodation providers that are affiliated with an educational institution are exempt from the *Residential Tenancies Act*. The Government has introduced amendments to allow for new regulations to require commercial student accommodation providers to display a notice regarding their affiliation, with penalties for providers falsely claiming affiliation.

To ensure that educational institutions affiliate with credible accommodation providers, the Government will introduce guidelines for institutions. Consultation on draft guidelines will occur before they are introduced. The Government will ensure students are able to access information on their tenancy rights and responsibilities on the *Study Melbourne* website to ensure they understand their rights and responsibilities.

PRIORITY 2: STIMULATING PRIVATE SECTOR INVESTMENT IN RENTAL HOUSING

Many drivers influence investment in rental housing. While most financial levers that influence investment decisions rest with the Commonwealth Government (such as negative gearing incentives and other taxation measures), the Victorian Government can take action to make investment in rental housing more attractive. To achieve this, the Government will:

Drive investment in affordable rental housing

The Victorian and Commonwealth Governments will continue to work together to boost the supply of new affordable rental housing through the National Rental Affordability Scheme (NRAS), which aims to attract large-scale investment in, and the innovative delivery of, affordable rental housing. Under the scheme, investors building new rental housing in Victoria are eligible to receive a combination of payments or tax credits of \$8000 per new property each year for 10 years, increasing in line with the national rental component of the Consumer Price Index.

Dwellings must be rented at a minimum of 20 per cent below market rents for 10 years to people on low and moderate incomes. In 2008, Victoria committed to co-fund over 3,000 new dwellings under NRAS by 2012, with at least 500 of these dwellings to be delivered by June 2010. The Victorian Government has now made a further commitment to co-fund an additional 4,500 new dwellings under the Expansion Phase of the scheme. This will support further housing association growth and draw institutional investment in the provision of affordable housing.

The Victorian Government – with the support of the Commonwealth – has also agreed that housing associations can package NRAS funding with capital funds. This will further increase investment in affordable rental housing.

Ensure that investment in private rental housing supply remains strong

Accessible markets and reliable financial returns can make housing an attractive investment and potentially boost the supply of rental housing. These returns can be influenced by a number of factors, including local demand for rental housing, market rents, interest rates, maintenance and management costs and charges, and taxation and regulatory arrangements. The Victorian Government will continue to work with the Commonwealth Government to ensure that investment in the private rental market remains strong, that the market continues to operate efficiently and that people and institutions are motivated to invest.

PRIORITY 3: PROMOTING QUALITY IN RENTAL HOUSING

All Victorians deserve basic housing standards. While most landlords provide this, some do not – especially in older homes. Low vacancy rates can force renters on low incomes to trade off basic standards and the threat of eviction can prevent tenants from enforcing their rights. To deliver improvements in rental housing and provide Victorian renters with a good standard of housing, the Government will:

Provide better information on rental standards

The *Residential Tenancies Act* and Victoria's *Building Act* and associated regulations contain a number of requirements to ensure that rental housing is habitable and safe. While building legislation ensures that new or renovated homes initially meet requirements, over time if buildings and amenities are not maintained, these standards can be compromised. In addition, the different laws are not always easy for tenants and landlords to navigate or understand.

To ensure that rental housing meets community expectations, the Government will develop consolidated, easy to understand information for renters and landlords about the minimum standards that apply to residential buildings and rooming houses.

The Government is also participating in the development of a new national building and energy rating disclosure system for all homes through the Council of Australian Governments and will consult with Victorian landlord and tenant organisations as this proposal progresses.

Review existing legislative frameworks and compliance procedures

In consultation with the real estate and property sectors, local government and tenants, the Government will evaluate the current laws governing housing standards in rental accommodation and explore ways to improve them. This will be done in a manner which does not adversely impact on supply.

HELPING VULNERABLE TENANTS

Many tenants in rooming houses are highly vulnerable and disadvantaged. Census data indicates that about half the people living in rooming houses have an annual income of less than \$13,000.

While rooming houses have traditionally been located in inner Melbourne, they are now being seen in middle and outer suburbs. There are currently around 500 registered rooming houses in Victoria accommodating around 4500 people. The number of unregistered properties also appears to be growing.

In July 2009, Victorian Premier John Brumby commissioned a six-week Rooming House Standards Taskforce to report on ways to address the problem of a growing number of sub-standard rooming houses in Victoria.

The Taskforce, which comprised representatives of tenants, housing and community groups, as well as local government, made 32 recommendations to the Victorian Government. These recommendations included the mandatory registration of operators and premises, improved standards of safety and amenity, stronger enforcement measures, and an increase in the supply of alternative rental housing.

The Government has accepted in principle all of the 32 recommendations made by the Taskforce. In October 2009, the Government announced new investment of \$77 million to improve rooming house standards and provide greater support and protection for rooming house residents.

PRIORITY 4: IMPROVING STANDARDS IN ROOMING HOUSES

Rooming houses are home to some of Victoria's most vulnerable people, including people on unstable incomes, those who have been homeless and people with a mental illness or a disability. To improve standards in rooming houses, ensure they meet the needs of tenants and provide appropriate security for tenants, the Government will:

Increase the supply of rooming houses

The Victorian Government has allocated \$13.7 million to provide accommodation options for rooming house tenants, including the development of new rooming houses and singles accommodation in partnership with the community housing sector. The Government is also upgrading existing rooming houses and increasing the proportion of single bedroom units in new developments.

As part of this commitment to further increase the supply of rooming house accommodation, the Government is developing a program that will enable registered housing agencies to secure 100 properties through head lease arrangements. This will provide rooming house accommodation for up to 400 single people or a mix of around 600 singles and couples.

Enforce standards in rooming houses

Following advice from the Rooming House Standards Taskforce, the Government is investing in a package of reforms to improve and enforce standards in rooming houses. The Government is investigating the introduction of additional rooming house standards, a statewide register of rooming house premises and operators, and funding to improve the thermal, energy and water efficiency of rooming houses.

Additional Consumer Affairs Victoria inspectors are working with local councils to make sure that rooming houses are registered and comply with standards. The Government is considering further proposals including increased penalties under the *Residential Tenancies Act* and expanding the powers of the Director of Consumer Affairs Victoria to initiate investigations and compliance action.

Assist families to access suitable accommodation

The Rooming House Standards Taskforce identified a number of immediate actions that can be taken to assist families in rooming houses to access more appropriate accommodation. In response, the Government has agreed to provide additional alternative crisis accommodation for families with children, and to introduce a new rental brokerage program to help families to move out of rooming houses and into social housing or stable private rental housing.

The Government will also build 200 new homes for families in crisis accommodation using Commonwealth Nation Building funding as part of the \$77 million rooming house reform package.

PRIORITY 5: IMPROVING PROTECTIONS AND STANDARDS AT CARAVAN PARKS

Caravan parks are increasingly providing more people with a long-term home. Around 7000 people live in caravans in Victoria, with over 60 per cent living alone. To improve conditions for the growing number of long-term residents in caravan parks, the Government will:

Improve rights for people living in residential and caravan parks

The Government will improve rights for people living in residential and caravan parks by amending the *Residential Tenancies Act* to increase protections and improve conditions for long-term residents who own their dwellings, other than caravans. Information will be developed for park operators and long-term tenants to ensure clarity about the terms of leases and the rights of owners in the sale of their holdings.

Improve standards for caravan parks and holiday parks

The Government will ensure that long-term caravan park residents have access to the same range and level of services and amenities as other Victorians.

Victoria's planning provisions will be reviewed to ensure they reinforce the need for caravan parks with permanent residents to be sited in appropriate locations integrated with urban areas and supported by appropriate services and infrastructure. The Government is also reviewing and, where appropriate, updating the regulations covering caravan park registration, standards for safety and amenity in parks, and construction standards for movable dwellings.

Identify new sites for caravan parks on Crown land

A number of private caravan parks have closed in coastal areas due to the rising value of land. Permits to stay in Crown land caravan parks are limited in duration to six weeks and places are in high demand during holiday periods. The Government will propose new policies to manage these pressures and investigate the development of processes with local Councils and Committees of Management to expand the capacity of existing Crown land holiday parks and establish new ones.

PRIORITY 6: REFORMING THE REGULATION OF SUPPORTED RESIDENTIAL SERVICES

Across Victoria, more than 6000 people live in approximately 180 supported residential services (SRSs): privately operated facilities that provide accommodation and personal care for people who cannot live independently at home. Residents of these services include frail, older people and people with more complex needs such as a physical, psychiatric, intellectual, acquired brain injury or other disability, and people with dementia.

SRSs are licensed and regulated by the Government to protect the health and wellbeing of residents. These regulations set minimum standards for the services and care that must be provided for residents, as well as other requirements. The Government is currently reviewing the SRS regulations and will develop and implement a package of reforms for the regulation of SRSs this year. These reforms will aim to enhance SRS standards and improve financial, tenancy and legal protections for residents while minimising the costs of regulation for SRS proprietors.

The Government will continue to deliver the *Supporting Accommodation for Vulnerable Victorians Initiative* (SAVVI), which is designed to assist SRSs to better serve and support vulnerable residents.

Direction 3 → Social housing

All Victorians deserve access to safe and appropriate housing. While most Victorians are able to buy or rent their homes, some households will require help. The Victorian Government plays a leading role in providing quality social housing for people who cannot access the private housing market – in crisis or emergency situations, as a temporary measure or for the longer term.

Social housing is in high demand in Victoria. For some people, social housing will be needed only on a temporary basis as they recover from a crisis or an emergency. Others face circumstances and stresses that mean they will need stable, long-term accommodation.

In 2008, the Council of Australian Governments agreed to a reform framework that signals a new era of national collaboration on housing policy and funding. Under the National Affordable Housing Agreement (NAHA), Victoria will receive around \$1.4 billion over five years to 2012-2013 for coordinated action on homelessness, social and Indigenous housing, private rental housing and home ownership. This adds to the \$500 million committed by the Victorian Government in 2007-2008 to renew and expand social housing over four years.

Complementing the NAHA are three new national partnership agreements on homelessness, remote Indigenous housing and social housing. These agreements provide a further \$208 million in new Commonwealth funds for Victoria. On top of this investment, the Nation Building and Jobs Plan has committed nearly \$5.6 billion nationally to boost and upgrade social housing.

This very substantial increase in investment will underpin major improvements in social housing in Victoria.



WHAT WE'VE DONE ALREADY

Victoria has invested heavily to increase the supply and improve the condition of social housing. Recent actions include:

- Investing over \$500 million to grow social housing, including boosting the growth of housing associations
- Building or purchasing over 14,000 new social housing units across Victoria since 1999
- Investing over \$2.5 billion since 1999 to develop, improve and maintain public and community-managed housing across Victoria, including upgrading over 22,000 properties
- Delivering higher levels of support for homeless people and women and children affected by family violence
- Establishing the award-winning Maintenance Call Centre in 2003, which provides a single contact number for social housing tenants requiring home maintenance
- Strengthening the partnerships between the Victorian Government and Aboriginal Housing Victoria, and increasing the amount of Indigenous housing under community management.
- Implemented a robust regulatory framework to drive up standards delivered by housing associations and housing providers.

OUR GOALS FOR THE FUTURE

While working with the Commonwealth Government and the Council of Australian Governments to deliver more social housing, the Government will also aim to:

- *Improve social housing* – While there are more than 78,000 social housing dwellings in Victoria, many households still require access to social housing, including people and families with complex needs. The supply of social housing needs to meet growing demand and stock needs to be upgraded and maintained to meet higher building standards, level of amenity and changing household profiles.
- *Provide pathways for social housing tenants* – Over the past 30 years the profile of tenants in social housing has changed significantly and new housing allocations are mostly directed towards supporting homeless Victorians, people with a disability, mental illness or with complex needs. For these tenants, social housing needs to operate as a stable, safe foundation for more intensive support and pathways to education, employment and participation in community life.
- *Develop housing associations* – Victoria's nine registered housing associations manage around 6,500 tenancies and are adding around 650 new tenancies to their portfolios each year. There are also 30 registered housing providers who manage community housing or their own properties. This strong base will be supported to reach the scale required to self-generate growth and operate sustainably.
- *Decrease Indigenous housing disadvantage* – Indigenous Victorians are over-represented in social housing and their rate of homelessness is five times higher than that of other Victorians. Social housing and homelessness programs in Victoria have an important role to play in meeting national goals to reduce Indigenous disadvantage and close the gap in outcomes between Indigenous and non-Indigenous Australians.

PRIORITIES AND ACTIONS

The Government has set five priorities to improve housing assistance for Victorians on low incomes and improve the supply and quality of social housing.

PRIORITY 1: BUILDING BETTER SOCIAL HOUSING

Over 14,000 new social housing units have been built or purchased across Victoria since 1999. As a result of the Nation Building and Jobs Plan and national housing agreements, around 4,500 new social housing units will be delivered in Victoria by 2012. To improve social housing, the Government will:

Increase housing supply through not-for-profit housing providers

Not-for-profit housing organisations, such as housing associations and community housing providers, will continue to be the Government's preferred approach for increasing the supply of social housing. These providers have a proven record of creative housing developments across Victoria, have demonstrated a high quality of tenancy management and can deliver 25 per cent more housing than housing funded solely by government.

To deliver further growth in social housing, the Government will provide more support to housing associations and community housing organisations, including around 50 per cent of funding from the COAG's Nation Building and Social Housing agreements.

The Government will consider reforms giving local councils clearer powers to encourage social housing development through concessions in municipal rates paid by housing associations. The Government will also fast-track planning approvals of selected new, large scale social housing developments that will add substantially to the supply of housing.

Provide better public housing

Public housing estates across Victoria are being redeveloped progressively to improve housing quality and support vibrant, healthy and safe communities. Major redevelopments underway include the Carlton Estate, Westmeadows and Roberts Street Northcote, and the Government has committed \$200 million to deliver 800 new public housing units.

To improve the quality and amenity of public housing, the Government will develop an asset regeneration plan for inner-city public housing estates, including large-scale regenerations where appropriate. The Government will investigate generating more public housing through new developments on state-owned and newly purchased land and deliver more strategic redevelopments to improve the supply and diversity of public housing.

PRIORITY 2: IMPROVING THE WAY SOCIAL HOUSING OPERATES

The Office of Housing and the not-for-profit sector, including community providers and housing associations, provide housing for people who find it difficult to access affordable private housing. To improve the overall sustainability and operation of social housing in Victoria, the Government will:

Build the capacity of housing associations

Housing associations are a vital element in the provision of social housing in Victoria. Collaborative alliances with financial institutions, developers, governments and community organisations have enabled these associations to build their supply and respond to growing demand. For the sector to continue to expand, housing associations need greater capacity to become self-sustaining and attract partners and investors.

The Government will develop a five-year growth plan to continue the expansion of housing associations in Victoria. The plan will consider options for a targeted conversion of public housing stock to association stock and allow housing associations to package their existing funds with Commonwealth and Victorian Government incentives to create additional affordable rental housing. Building on our strong foundations, Victoria will work to boost the scale of the sector, encourage more private sector investment, and support workforce skills development, planning and partnership building.

Strengthen social housing governance

The social housing sector is set to grow substantially over the next four years, driven by new Commonwealth and State investment. The effective operation of the entire sector, including public and not-for-profit housing providers, will be critical to the timely delivery of new housing, upgrades and repairs – making it even more important for social housing assets and service delivery to be well governed.

All Australian state governments are currently working towards a national regulatory system for not-for-profit housing providers, more streamlined administration of housing agencies and greater consistency in social housing governance. While this work is underway the Victorian Registrar of Housing Agencies will continue to monitor the governance of registered housing agencies. The Housing Registrar works with the sector to strengthen the governance of housing agencies. A series of guidance and good practice notes will be provided to the registered sector.

Advance operational reforms

The Government will work with other Australian jurisdictions through the Nation Building and Jobs Plan and the NAHA to reform practices in the social housing sector, including making improvements to accountability and reporting by social housing providers, and promoting greater competition in procurement for the construction, upgrade and maintenance of social housing. These reforms will improve the sustainability and transparency of social housing operations, resulting in better outcomes for tenants and greater public accountability.

PRIORITY 3: HELPING SOCIAL HOUSING TENANTS THROUGH IMPROVED PATHWAYS

As well as working with other Australian jurisdictions and the Commonwealth Government to improve opportunities and circumstances for social housing tenants, the Government will:

Encourage employment and training opportunities for tenants

Many public housing tenants are not in the workforce and only a small percentage work full-time. The Victorian Government plays an important role in supporting tenants to break the cycle of disadvantage and find pathways back to education, training or employment. Currently, two programs with direct links to public housing offer this support: the Neighbourhood Renewal program, which has trialed successful labour market strategies to support tenants in finding work, and the Public Tenant Employment Program (PTEP), which provides employment for tenants on public housing projects that includes job-accredited training, employment pathway planning and post-employment support.



The Government will build on the success of the PTEP by promoting the program more broadly to community housing service providers, local councils, unions and employers, and linking it to new social housing developments. The establishment of new neighbourhood employment and training outreach services on public housing estates will also be considered.

The Government will work with the Commonwealth Government to remove barriers to public housing tenants entering the workforce.

Improve tenant choice and participation

Giving tenants a greater choice and say in their housing is important in encouraging people to improve their circumstances, take action to meet their own needs and make decisions about their future. As well as delivering initiatives to support greater choice and participation by tenants as part of the COAG national social housing reform agenda, the Government will deliver a series of additional reforms.

These reforms will include the introduction of a single waiting list across all public and community housing agencies (which will give tenants access to the full range of long-term housing options), the investigation of a choice-based letting system and better matching of tenants with appropriate housing types. The Government will also work with not-for-profit housing providers and tenants to find new ways of increasing tenants' participation in social housing governance and to establish better tenant management benchmarks for social housing.

Households requiring long-term assistance need a reliable housing base that can be linked with specialist health and welfare supports. The Government will review public housing policies and services to establish clearer roles for housing and other services (such as mental health, drug and alcohol services) that provide support to tenants with complex needs.

Expand housing choice for older tenants

Nearly 40 per cent of people in public housing are aged over 55. Some of these tenants choose to live independently with the support of the Movable Unit Program, which allows older residents in public housing to stay close to their family, friends and community networks by locating mobile housing on private properties (with the owner's agreement).

With the number of Victorians aged 65 and over in low-income rental households projected to double by 2026, demand for this program will continue to grow. The Government will consider expanding the program by increasing the supply of units available – giving older tenants a greater choice about their housing options and providing a flexible option that supports a person's autonomy and independence, provides security of tenure, is located close to services, is suitable for their physical needs and keeps them socially connected.

PRIORITY 4: IMPROVING HOUSING OPPORTUNITY FOR INDIGENOUS VICTORIANS

Indigenous Victorians can find it difficult to access appropriate and affordable housing. Aboriginal Housing Victoria is responsible for the tenancy management of around 1,250 former Aboriginal Rental Housing Program properties. A number of other Indigenous community housing organisations manage around 500 properties across Victoria. To improve housing opportunity for Indigenous Victorians, the Government will:

Develop Aboriginal Housing Victoria as an independent rental housing agency

Indigenous community housing agencies need support to achieve long-term viability. In recent years, the Office of Housing has been working with Aboriginal Housing Victoria (AHV) to transfer tenancy responsibilities from the Victorian Government to AHV. Under Nation Building AHV will be funded for 200 additional homes. This boost in housing stock will strengthen AHV and help to secure its future as an independent, self-sustaining housing agency.

Improve the quality and management of Indigenous community housing

The Commonwealth Government transferred administrative responsibility for the Community Housing Infrastructure Program (CHIP) to Victoria on 1 July 2009. The Government will work with Indigenous community housing organisations to ensure that all CHIP properties are brought up to community housing standards and to support these organisations in improving their governance, tenancy and asset management capabilities.

Expand housing opportunities for Indigenous Victorians at Lake Tyers

The Lake Tyers Indigenous community receives support from the Victorian Government through the Community Renewal Program, which assists residents to develop skills in home maintenance and receive training at a pre-apprenticeship level for entry into a trade. The Government will support the construction of new dwellings at Lake Tyers – creating employment opportunities for residents, while also providing greater amenity and design flexibility in Indigenous housing.

PRIORITY 5: IMPROVING HOUSING OPTIONS FOR PEOPLE WITH A DISABILITY

Victoria is a recognised leader in providing high-quality living environments and flexible housing options to support people with a disability, and in exploring new models for expanding the range and type of housing available for people with a disability.

Building design can play an important role in improving access to appropriate and safe housing for people with a disability, and the Government is investigating a range of no and low cost minimum standards for new housing to enhance outcomes in this area. This measure is described in detail under Direction Five, Priority Two.

To further expand housing options for people with a disability, the Government will also:

Ensure that young people have options other than residential aged care

Together with the Commonwealth Government, the Victorian Government is working to help young people with severe disabilities in nursing homes to move into more appropriate accommodation through the My Future, My Choice initiative. This initiative will provide 22 new purpose-built houses for 104 young people currently residing in, or at risk of entry to nursing homes, as well as providing enhanced support – such as community access, social activities and customised aids and equipment – to those who remain in care.

Support new independent living opportunities

The Innovative Housing Opportunities Program (IHOP) is developing independent units for 45 people with a disability in social housing developments across the state. This program is a partnership with the Office of Housing and Housing Associations. Support for people in IHOP accommodation will be provided through Individual Support Packages.

Maintain an effective Disability Housing Trust

The Government established the Disability Housing Trust in 2006 to promote, sponsor and develop new and innovative housing options that provide people with disabilities opportunities to live in a range of accommodation types that will best suit their requirements, and to encourage new investment in housing for people with disabilities. Up to 87 housing options are to be developed, of which 47 have been completed or are under construction.

Supporting older carers

Providing accommodation and support for people with a disability currently living with an older carer (often their parents) is vitally important to meet the needs of individuals and their families. The Victorian and Commonwealth Governments have also contributed funding for additional respite support to assist older carers.

Direction 4

Homeless Victorians

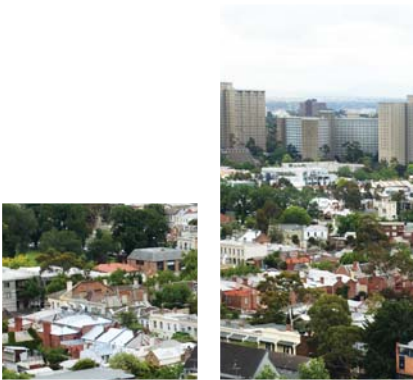
Around 20,500 people are homeless or in crisis accommodation on any one night in Victoria. These people are among the most vulnerable Victorians. While new national initiatives will play a leading role in reducing homelessness, more effort will be needed to boost prevention and early intervention assistance to people at risk, improve co-operative support for homeless people and adopt integrated approaches to break the 'cycle of homelessness' and reconnect people with their communities.

The majority of homeless Victorians are staying in crisis accommodation units or in marginal accommodation such as caravan parks and boarding houses or "couch surfing" with friends. Young women, older men, Indigenous people and people with mental illness or drug and alcohol problems are at the most risk of becoming homeless.

Homelessness is now a nationally agreed priority for all Australian governments. The Victorian Government is committed to working with the Commonwealth Government to achieve targets set out in the Commonwealth's White Paper on homelessness, *The Road Home* – using the combined resources of the National Affordable Housing Agreement and the National Partnership Agreement on Homelessness. The Homelessness Agreement provides \$78 million from Victoria and \$78 million from the Commonwealth for homelessness programs over five years to 2013.

Improvements in services and housing options for homeless Victorians will also be supported by the new affordable housing being delivered under the Nation Building and Jobs Plan, and the National Partnership Agreement on Social Housing.

The Victorian Government welcomes the commitment by the Commonwealth Government and the Council of Australian Governments to reduce homelessness as a major step forward – one that paves the way for the most vulnerable Victorians to receive greater support through the combined efforts of government, community groups and not-for-profit organisations.



WHAT WE'VE DONE ALREADY

The Government has taken action to reduce homelessness and provide greater support for homeless Victorians, including:

- Launching the Victorian Homelessness Strategy 2002
- Investing over \$1 billion since 1999 to reduce homelessness in Victoria, including new approaches such as Common Ground which offers better integration of services
- Developing a new \$50 million Integrated Supportive Housing facility that combines safe, long-term affordable housing with health and other support services for chronically homeless people
- Establishing an Integrated Family Violence Response that brings together human services, the police and the courts to help women, children and homeless people affected by family violence
- Rolling out the successful Support for High Risk Tenancies pilot program, which assists people with complex needs – such as mental illness, drug and alcohol dependency, and health and behavioural problems – who require intensive support to stay in long-term housing
- Supporting the Journey to Social Inclusion pilot program offered by the Sacred Heart Mission's Journey in St Kilda, which will assist 40 chronically homeless people to break the cycle of homelessness through intensive intervention, skills development and support to reconnect to the community

OUR GOALS FOR THE FUTURE

Victoria will complement these national initiatives to reduce homelessness with its own policy and program reforms which aim to:

- *Improve prevention and early intervention efforts to reduce the risk of homelessness* – Getting mainstream and other specialist services to identify and support for people at risk of homelessness.
- *Break the cycle of homelessness* – While making sure that accommodation is available for individuals and families in crisis. We also need to provide flexible, integrated services that create lasting pathways out of homelessness for people who are chronically homeless and who have complex needs.

PRIORITIES AND ACTIONS

The Government has set four priorities to further improve housing and support for vulnerable Victorians.

PRIORITY 1: DEVELOPING A NEW 10-YEAR HOMELESSNESS STRATEGY

The Government will develop a new 10-year Victorian *Homelessness 2020 Strategy*. The Strategy will deliver on actions under the National Partnership Agreement on Homelessness, focus strategic reform on prevention and early intervention and establish a coordinated, whole-of-government approach to reduce the incidence and impact of homelessness.

A draft of the *Homelessness 2020* strategy will be released for consultation in the coming months, with the final strategy being released later in 2010.

PRIORITY 2: BOOSTING PREVENTION AND EARLY INTERVENTION

The Government will place a greater emphasis on prevention and early intervention services, which can minimise the risk of homelessness among children and young people, and target individuals and groups at greater risk of homelessness. As well as supporting national efforts to strengthen partnerships between mainstream service providers (in areas such as health and education) and specialist housing and homelessness services, the Government will:

Reform support for children and young people

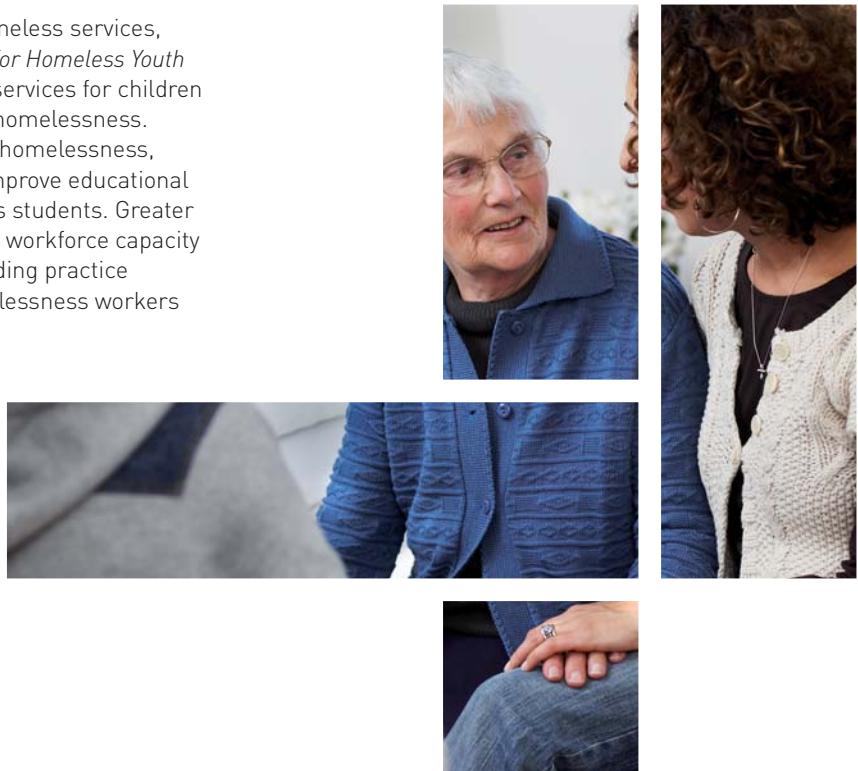
Around one-third of homeless Victorians are children under the age of 18 and 45 per cent are under the age of 24. The great majority of children accompanying homeless adults to homeless services are aged 12 or younger, with close to half aged 5 or younger. Some of the most vulnerable are children involved in the child protection system.

The Government currently provides integrated services aimed at helping children and young people experiencing, or at risk of, homelessness. Building on Victoria's *Youth Homelessness Action Plans 1 and 2*, the Government will reform and improve a range of services for children and young people.

This will include restructuring youth homeless services, continuing the *Innovative Health Service for Homeless Youth Program* and developing new specialist services for children in homeless families or those at risk of homelessness. The Government will also work with the homelessness, education and employment sectors to improve educational and employment outcomes for homeless students. Greater effort will be directed towards improving workforce capacity in the youth homelessness sector, including practice development workshops for youth homelessness workers and a youth homelessness conference.

Improve prevention and early intervention efforts

The capacity of mainstream services to intervene early to prevent or reduce homelessness will be increased by providing tools and training to agencies such as hospitals and community health centres to help them to identify and refer people who are homeless or at risk of homelessness. Early intervention programs aimed at keeping vulnerable people in existing tenancies will be improved and targeted initiatives will be developed to better respond to the needs of particular social groups, as well as women and children who experience family violence.

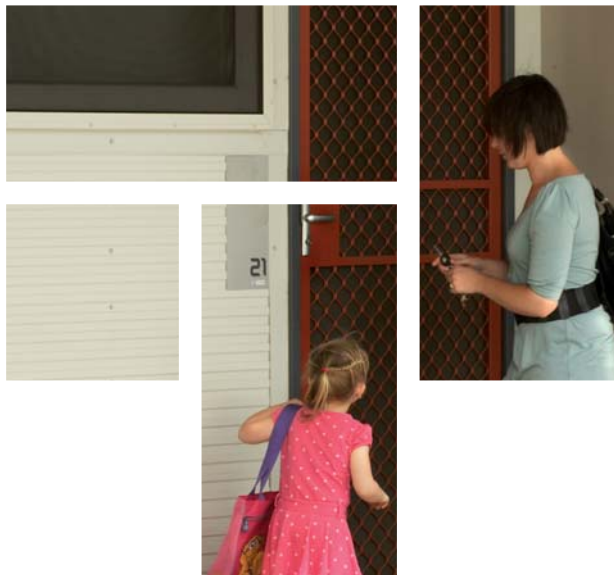


PRIORITY 3: DEVELOPING NEW SERVICE MODELS AND SERVICE CAPACITY

The Government will use resources from the National Affordable Housing Agreement and the National Partnership Agreement on Homelessness to improve homelessness services, develop better service models and boost the capacity of services to co-ordinate to reduce homelessness. The Government will:

Improve service coordination and provision

People seeking assistance should not have to move through multiple systems with different criteria to access the support they need nor move constantly to find stable housing. The Government will continue to implement the *Opening Doors* initiative across Victoria to provide more integrated and timely access to homelessness and social housing services. Under this initiative, services work together to create clear common entry points for people who are homeless by providing a single initial assessment and referral point, as well as short-term service responses. This helps to ensure that people get timely assistance that is appropriate to their needs.



Strengthen responses to family violence

Victoria has made a substantial investment in reducing family violence, including introducing new legislation that provides greater protection for women and children escaping family violence to remain safely in the family home. The Government will further strengthen responses to family violence by increasing face-to-face support for women and children, providing assistance for women and children to remain in the family home and improving case management for men who use violence. The Government will also increase support for Indigenous women and children, creating two new Indigenous women's refuges in regional Victoria and supporting Indigenous workforce development and cultural awareness training.

Provide better access to financial and legal support services

Access to financial and legal advice for people who are homeless or at risk of homelessness can place them in a better position to assess their housing options and other needs. To improve the availability of these services, the Government will increase support for linking families with financial advice, counselling and case management; enhance the Court Integrated Services Program to provide better access to legal services in relation to issues such as family violence, tenancy and debt; and expand access to legal assistance for Indigenous women.

PRIORITY 4: CREATING PATHWAYS TO BREAK THE CYCLE OF HOMELESSNESS

For some people, homelessness is a one-off event; for others, it is a recurring complex issue. Currently, almost 30 per cent of clients of homelessness support services return within 12 months and 4 per cent of clients need more than six periods of support. To break the cycle of homelessness, the Government will:

Develop more flexible responses to homelessness

Consistent with the Homelessness National Partnership Agreement, the Government will develop more flexible responses to homelessness, including providing additional supportive housing facilities, extending outreach services that link rough sleepers to health and allied services, and increasing support for people at risk of homelessness to remain in their current housing. Transitional housing units will also be provided as part of the Commonwealth Government's A Place to Call Home Initiative.

Respond better to homeless people with high and complex needs

Many people who are homeless have identified mental health problems. Many also experience problems with substance use. To provide better support for these people, the Government will invest in workforce development to enable homelessness services to better respond to the needs of more complex clients, including providing mental health training and education to homelessness service providers.

Working with the Commonwealth Government through the Homelessness National Partnership, the Government will also expand support and accommodation options for homeless Victorians with multiple and complex needs. We will continue to deliver new flexible psychosocial support packages linked to a range of housing options for chronically homeless people with a severe mental illness.

Collaborative service models (delivered by multidisciplinary clinical, psychosocial rehabilitation and alcohol and drug treatment teams) have been effective in supporting homeless people with mental health, alcohol and drug problems. As outlined in *Because Mental Health Matters: Victorian Mental Health Strategy 2009–2019*, the Government will consider co-locating such services with selected homelessness services over the short to medium-term.

Assist people at key transition points

A range of initiatives will be provided to assist people at key transition points in their lives that may expose them to the risk of homelessness, such as young people leaving care, people exiting prison and people being discharged from mental health facilities. These initiatives will include linking housing programs to justice facilities (giving people exiting prison access to secure, stable housing on release) and implementing the Young People Leaving Care Program (giving young people the skills they need to live independently, formulate goals and obtain secure housing).

BREAKING THE CYCLE

More flexible, integrated services and new ways of delivering services are the key to breaking the cycle of homelessness.

Examples of new approaches being adopted in Victoria are the Elizabeth Street Project and new models of support for homeless young people.

The *Elizabeth Street Project* is a partnership between the Victorian Government, Yarra Community Housing (a registered housing association), HomeGround (a provider of support services), Grocon (a developer) and the Commonwealth Government.

The project will provide new housing for around 160 low income Victorian households, with health, training and employment services located onsite. The project is based on New York's CommonGround model, which has reduced street homelessness by 25 per cent. More than \$50 million from all partners has been allocated to the project, with Grocon building housing at cost.

New models of youth support are also being explored, including providing at least one 24/7 youth refuge in each region in Victoria to deliver more intensive support tailored to the individual needs of young people. These refuges will facilitate links to mental health, drug and alcohol support services, and to employment, education and training opportunities.

New foyer model youth facilities for young people will also be established in regional Victoria. The foyer model assists young people by integrating safe, secure and affordable accommodation, personal support services, reconnection to learning and skills development, work experience and access to jobs.

Direction 5 Better homes

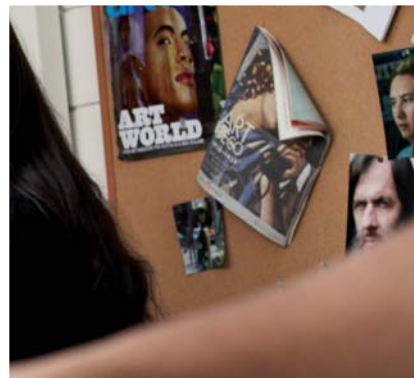
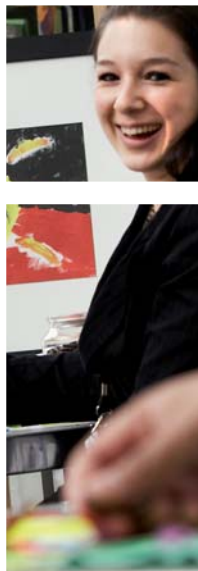
Good design creates more affordable, efficient and sustainable housing. It also creates higher density residential developments that are healthy, safe and attractive places to live. Victoria's history of leadership in building standards provides a strong basis for ensuring that all Victorian communities enjoy well-designed housing that suits our changing household structures and meets our family and lifestyle needs.

Ideally, Victorian homes should be sustainable in four ways:

- Socially – meeting the needs of diverse households and changing demographics and household structures, improving the occupants' quality of life, supporting their health and connecting them with their neighbourhoods
- Economically – being affordable to build and live in

- Environmentally – using less land, water, energy and materials, and minimising air, land and water pollution and waste
- Physically – being built from durable and functional materials and to an appropriate size, providing good natural light, protection from the elements and noise, and avoiding undue heat loss or gain.

Victoria has been a leader in setting building and development standards to deliver these attributes. The Government will reinforce this leadership and continue to ensure that Victorian communities enjoy the best possible standards of housing.



OUR GOALS FOR THE FUTURE

The Government recognises that different types of housing and new building standards will be needed to meet Victoria's changing circumstances and needs. The Government will aim to:

- *Promote housing that meet changing needs and expectations* – As our population grows and ages, and household sizes fall, the type of housing required to meet our needs is also changing. A greater supply of compact, well-designed homes will allow us to respond to and improve housing outcomes.
- *Promote more accessible housing* – More accessible housing will be needed to meet the changing needs of Victorians, including families with young children, older people and the growing number of Victorians with a disability. These needs could be met through minor changes in home design and construction and more responsive precinct and development design.
- *Respond to climate change* – The impacts of climate change pose potentially significant risks for many Victorian communities, including an increased risk of bushfires in peri-urban areas and the possibility of increased flooding and inundation in coastal communities. Managing these risks will need to be incorporated into planning policies, legislation, regulations and processes governing home design and construction.
- *Increase water and energy efficiency* – While Victorians are saving more water and energy in our homes, the continuing pressure on our water supplies, the need to reduce greenhouse gas emissions and the shift to a low carbon economy mean that our homes need to be more efficient. Better building design and more efficient material, fixtures and appliances will significantly reduce water and energy consumption.

PRIORITIES AND ACTIONS

The Government has set five priorities to drive the innovation in home design that will be required to provide safe, accessible and efficient housing that is adaptable to Victorians' changing needs.

PRIORITY 1: ENCOURAGING AFFORDABLE DESIGN

Good design can significantly reduce construction and maintenance costs, house prices and general living expenses. House size, the allocation of space within a house and the materials and methods used to build the house all have an impact on affordability. Innovation in new home design can help to drive costs down even further. To promote affordability through better design, the Government will:

Drive innovation in housing diversity

The housing market can be slow to respond to change, preferring large-volume construction of standardised housing types. More effort is needed to speed-up housing innovation. Currently, a number of initiatives are underway to show how sustainable building can deliver affordable, liveable homes and communities. These initiatives include partnerships with leading architects, design competitions and demonstration projects.

The Government will maintain existing programs and develop new initiatives to demonstrate the value of good design for homes, precincts and residential developments. In line with the refocusing of VicUrban to provide more housing in existing urban areas, this will include promoting and showcasing good design in high density urban developments.

WHAT WE'VE DONE ALREADY

The Government has promoted better designed housing in many ways, including:

- Being the first state in Australia to adopt a 5-Star energy- and water-efficient building standard for new homes in 2005, with the standard extended to renovations and extensions in 2008
- Introducing water-efficient plumbing requirements for all new houses, supported by guidelines for water-sensitive urban design
- Offering rebates for solar energy and hot water, rainwater tanks, gas hot water, insulation and water-efficient garden systems
- Requiring all new public housing in Victoria to comply with Australian standards for accessible and adaptable design
- Incorporating accessible, adaptable and sustainable design features into VicUrban developments
- Promoting accessible, adaptable design through the Building Commission and by releasing guidelines to maximise amenity in high density residential developments
- Showcasing low emission lifestyles in four Victorian communities through the Zero Emissions Zones program
- Introducing the Energy Saver Incentive scheme, which enables energy retailers to help households to implement energy efficiency activities at no or discounted cost
- Establishing the Office of the Victorian Government Architect to provide design leadership and advice.

Develop better information on building materials

The type of materials used to build a home can have a huge effect on its cost and environmental impact. It is more sustainable to select locally produced building materials that use minimal energy to produce, emit fewer toxic substances in their production and have long-term durability. Consumers need better information to make the right choices and the housing industry needs to support such choices.

The Government will encourage greater awareness of affordable and environmentally sustainable building materials by providing information and guidance to builders and consumers through online portals and other avenues.

Encourage conversion of existing buildings to apartments

Converting existing buildings – factories, warehouses and offices – into homes can be a cost-efficient and environmentally sustainable way to increase housing supply in established suburbs and towns that are close to major activity centres and transport corridors. It can also lead to savings in building materials.

The Government will encourage well-designed and innovative conversions of former commercial and industrial buildings by providing information on the planning and design of building adaptation and conversions; issuing practice notes on technical construction standards; and introducing the Minister for Planning's prizes for cost-effective and innovative building conversions.



PRIORITY 2: IMPROVING ACCESSIBILITY

Homes should be capable of meeting people’s needs throughout their lives – whether they have children, are sick or injured, or elderly. To improve the accessibility and adaptability of homes, the Government will:

Develop minimum accessibility design standards

No-cost and low-cost changes in building design can significantly improve housing safety and accessibility, particularly for those with mobility problems, without having a significant impact on affordability. The Government is investigating minimum accessible design standards for new housing, including requirements for features such as step-free entry, wider doorways and passages, reinforced bathroom and toilet walls for future fitting of grab rails, and toilets that are accessible to people with limited mobility.

A Regulatory Impact Statement has been released to examine the best approaches to delivering these standards.

Promote the adoption of further accessibility design features

Supplementary design features, such as lowering the height of light switches to door handle height, lever style door handles and open plan living spaces, can make homes even more accessible. Many of these features are already used in newly constructed public housing.

The Government will promote improved accessibility features for all homes through education, training and promotion that target the building industry (including architects, builders and developers), consumers and owner-builders. The Government will also examine options to advocate for these reforms to be adopted nationally through the Local Government and Planning Ministerial Council and the Building Ministers Forum, and promote changes to building regulations under the Building Code of Australia.

INNOVATION IN HOME DESIGN

Changes in population, household make-up, the climate and other areas will require us to become more innovative and flexible in the way we design homes and plan communities.

The Sustainable Affordable Home Initiative is developing homes that the average family can afford. Four leading architects are developing a series of affordable housing designs. A number of these designs will be featured in a VicUrban demonstration and education centre, where they will be tested before being offered to the market.

The Design for Affordable Sustainable Housing Initiative is demonstrating how innovation, affordability and sustainability principles can be applied to higher density dwellings.

The Living Places design competition, run by the Office of Housing and the Office of the Victorian Government Architect, aims to develop quality designs for medium density social housing in Melbourne's outer suburbs. Designs were sought for houses containing flexible floor plans, useable private and communal spaces, and environmental sustainability features. Approvals are now being sought to build the winning design for the Dandenong site.

To demonstrate how high-rise towers can be upgraded, the 2008 Tower Turnaround competition focused on reinvigorating public housing in Footscray. As well as addressing the external appearance of the towers, selected designs aim for better communal spaces, safe and secure indoor and outdoor spaces, improved connections with surrounding areas and better environmental performance.

PRIORITY 3: PROMOTING GREEN HOUSING

Green housing offers substantial financial benefits for households and significant environmental benefits for the broader community. The Government is playing a leading role in promoting 'green' housing and informing Victorians about sustainable choices in the design, operation, refurbishment and demolition of buildings; in the way households use water and energy; and in the use of appliances and fittings. To further promote green housing, the Government will:

Encourage greater energy efficiency in homes

Victoria already leads Australia in taking action to reduce household energy use. The introduction of 5-Star building standards, the innovative Energy Saver Incentive Scheme, the Black Balloons Campaign, a range of rebates for goods and appliances, and the installation of Smart Meters in all Victorian homes by the end of 2013 will all help consumers to better manage their energy use and reduce their energy costs.

The Government will work through the Council of Australian Governments to deliver the National Partnership Agreement on Energy Efficiency, which includes measures to deliver higher energy efficiency standards and a substantial growth in the number of highly energy efficient homes. This agreement supports the National Strategy for Energy Efficiency: a 10-year plan to accelerate energy improvements for households and businesses across Australia.

The Government will work with the Commonwealth Government and the housing industry to deliver improvements in energy efficiency beyond the current 5-Star standard, including increasing the energy efficiency requirements of new residential buildings to 6-Stars, setting a low greenhouse gas emissions standard for hot water heaters in all new homes and introducing a lighting energy efficiency standard.

Increase the water efficiency of homes

The Government delivers a range of programs to promote water saving, recycling and efficiency – including providing consumers with information, funding for water-efficient products, pricing to encourage saving water and restrictions on water use in the home.

Consistent with national agreements and Victoria's *Our Water, Our Future* plan, Victoria is developing long-term solutions to secure our water supply, including requirements to increase water efficiency standards and improve onsite stormwater management.

Through COAG, the Government is also working to introduce a national mandatory disclosure scheme by May 2011 that will require details of household energy- and water-efficiency and greenhouse gas emissions to be disclosed at the point of sale or lease of a home. Opportunities are also being investigated to improve energy and water efficiency in rental properties.

Improve the performance and quality of the indoor home environment

Good home design can improve the wellbeing of occupants by letting in natural sunlight, providing good ventilation and reducing the need for artificial heating, cooling and lighting. Victoria's planning and building regulations play a valuable role in ensuring that all houses have an adequate level of sunlight penetration and ventilation, particularly as more homes are built on lots that are smaller and closer together.

Rebates, grants and retrofit programs will continue to be offered to encourage the take-up of other energy-saving technologies and practices, particularly among low income households.

PRIORITY 4: RESPONDING TO A CHANGING CLIMATE

Climate change will alter the range, intensity, exposure and frequency of natural hazards such as bushfires, flooding, coastal inundation and heat waves. This means that we will need to consider new approaches to the siting, design and building of housing. To ensure that homes in Victoria are designed, constructed and retro-fitted to be comfortable and adaptable as our climate changes, the Government will promote housing that can adapt to climate change.

The Government will continue to take action in a number of areas that are critical to managing the impacts of climate change on Victoria's built environment, including making sure that climate change considerations are incorporated into planning policies and regulations, and updating policies for the design, construction and retrofitting of buildings to reflect the latest assessment of climate change risks. Mapping of vulnerable locations and assessments of the risks for communities, assets and homes will continue.

The Government will support initiatives to provide green housing, skills and building industry innovation in adapting to climate change. Victoria's *Climate Change White Paper*, scheduled for release later this year, will include further housing, planning and design initiatives to ensure our cities, towns and homes produce lower emissions and can adapt to climate change – and that we have the skills needed to make these improvements happen.



PRIORITY 5: THE ROLE OF THE BUILDING COMMISSION

In Victoria, the Building Commission plays a key role in enforcing building standards and regulating building practices to ensure that homes are safe, meet quality standards and are well constructed.

The Building Commission will take a leading role in promoting accessible housing standards and helping the building industry to meet new green housing and building climate change objectives. The Commission will also continue to play a role in developing new building standards, such as Victoria's interim building standards for the construction of homes in bushfire-prone areas, and working with the Commonwealth Government to develop and enforce new national standards.

Implementing the strategy

The Victorian Integrated Housing Strategy will be delivered in partnership with the Commonwealth Government and local governments across Victoria. In particular, Victoria's participation in new national agreements on affordable housing, social housing, homelessness and Indigenous housing will drive many initiatives under the strategy.

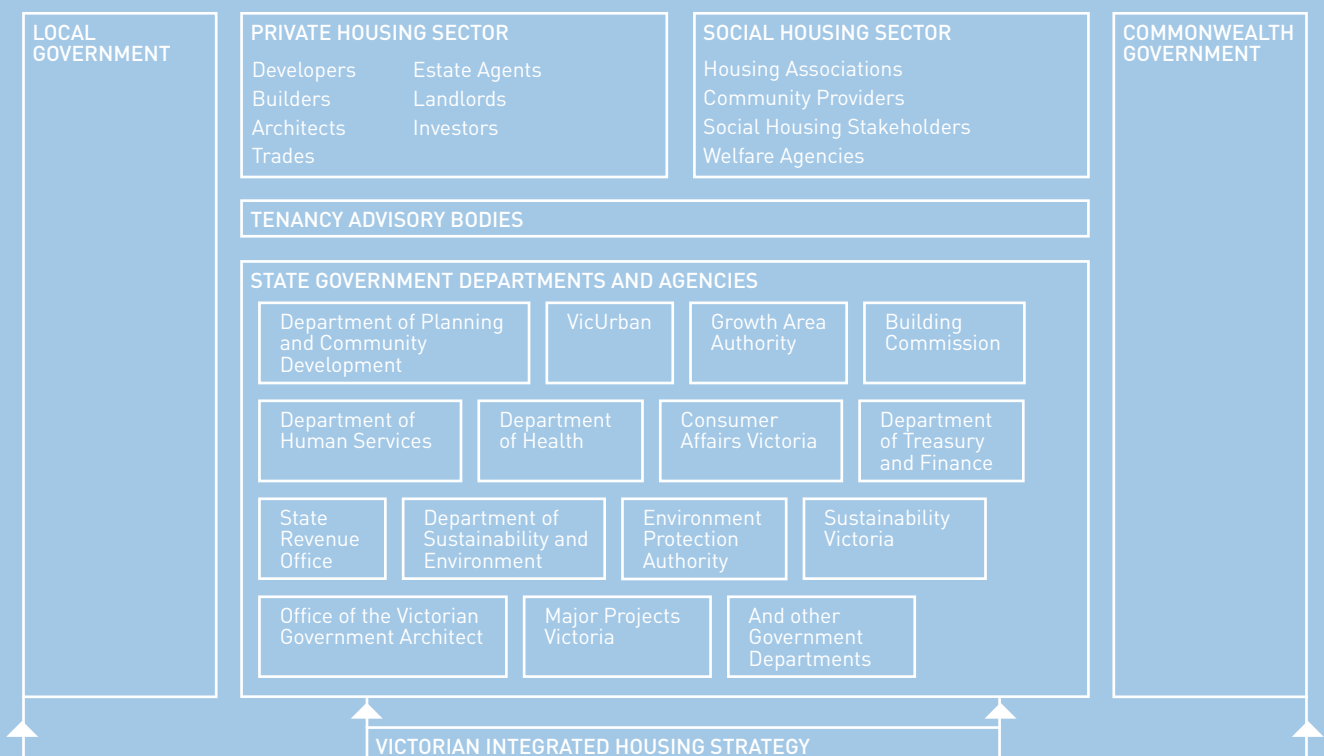
Delivering housing for all Victorians depends on collaboration between government, industry and non-government organisations. Fostering these relationships and maintaining capabilities across all sectors involved in the strategy will be essential to achieving enduring change.

Leadership is also essential to delivering the strategy's reforms and actions. Victorian Government departments and agencies have important responsibilities under the strategy, which build upon their existing roles and relationships with the private and not-for-profit sectors and local government.

The Government will ensure that the efforts of all agencies involved in the strategy are well-coordinated and clearly understood. Agencies involved in the delivery of the strategy are shown below.

The Government will develop a dedicated housing web portal to bring together and link information on housing in Victoria and provide a central point for implementing the Victorian Integrated Housing Strategy. This website will include information for home buyers and renters, and links to sites with essential housing information, such as the Building Commission, Consumer Affairs Victoria, the State Revenue Office, the Department of Human Services and Sustainability Victoria.

AGENCIES INVOLVED IN DELIVERING THE VICTORIAN INTEGRATED HOUSING STRATEGY



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