

CHAPTER 05

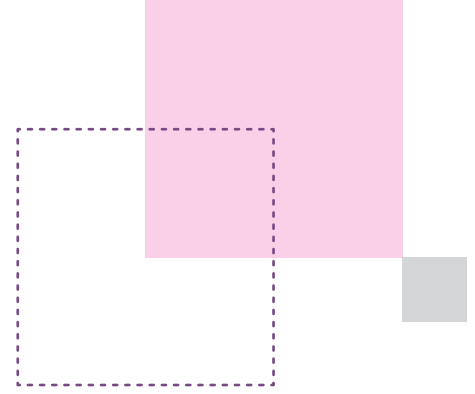
HOUSING CHOICE



Plan Melbourne Outcome 2:
Melbourne provides housing
choice in locations close to jobs
and services

The Inner Metro Region is the core of Melbourne's business and jobs activity, services, tourism, amenity, and high-density residential living. Although the smallest geographically, the Inner Metro Region is forecast to experience consistent population growth between 2020 and 2051 with an annual average growth rate of 2 per cent.





Beyond the Central City, the region's established linear activity centres and inner suburbs are compact, mixed-use and steeped in rich heritage making them highly desirable locations for housing. The region has significant large-scale urban renewal opportunities in established, walkable neighbourhoods close to the city and well-served by multiple modes of public transport. For this reason, it offers new residential development opportunities at much higher densities compared to other regions in metropolitan Melbourne.

The future growth in the Inner Metro Region will largely be catered for by major urban renewal precincts such as Fishermans Bend Urban Renewal Area, Arden and Macaulay, as well as high-rise development in the Central City. The region's network of activity centres will also continue to support new housing of mixed-use, medium- and higher-density built forms while supporting the existing and future economic role and function for each centre.

State of play

Metropolitan Melbourne

The residential development industry is responding to higher demand for housing by increasing supply across metropolitan Melbourne. The number of dwellings and location of additional housing depends on the availability and suitability of land and the willingness and ability of households to pay. Due to the availability of land zoned for residential uses, a significant number of homes are being developed in Melbourne's outer suburb growth areas. This has enabled residential developers to meet the demand for relatively affordable housing.

There has also been an increase in the supply of apartments in the Central City and increasingly in Melbourne's inner suburbs. This is driven by investors purchasing apartments to meet increased demand for rental accommodation in the inner city. In other areas, particularly established middle ring suburbs, the supply of housing is less responsive to increasing housing demand. Strong demand has led to increased competition for housing in inner and middle ring suburbs of Melbourne that have good access to jobs, services and public transport.

Inner Metro Region

Regional demographics

In 2020 the population of the Inner Metro Region was 403,360 people which accounted for 8 per cent of the metropolitan Melbourne population. Between 2020 and 2051 the region's population is projected to increase by 342,790 people to a total of 746,150, which will account for 9 per cent of metropolitan Melbourne's projected population of 8,352,840. The annual rate of growth in the region is expected to be 2 per cent, which is 0.5 per cent higher than metropolitan Melbourne's expected annual growth. The Inner Metro Region's growth is only 0.1 per cent lower than the fastest growing region, the Western Metro Region.

The majority of the population in the Inner Metro Region lives in the City of Melbourne and this will remain the case. By 2036, almost 50 per cent of the region's total population will live in the City of Melbourne, with Port Phillip and Yarra LGAs accommodating 27 per cent and 23 per cent respectively (Table 7).

To accommodate this additional population growth, it is estimated a net additional 225,080 dwellings will be required in the Inner Metro Region from 2016 to reach the projected 402,750 dwellings by 2051.

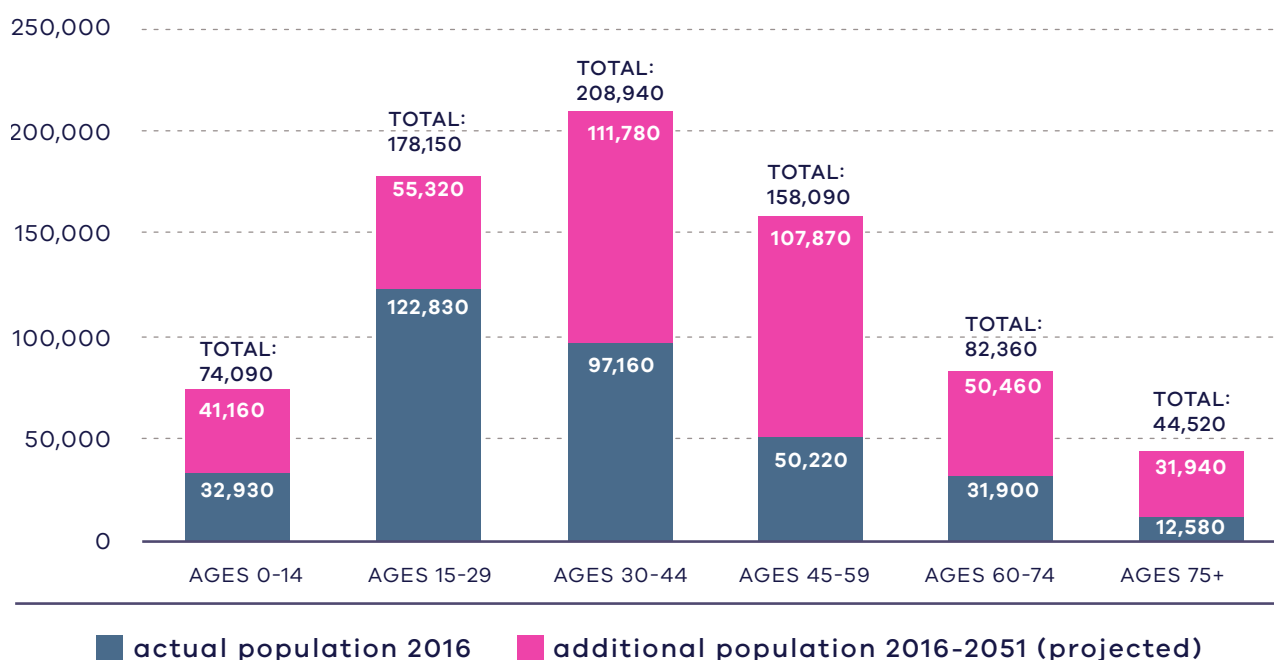
Compared to other regions in metropolitan Melbourne, the Inner Metro Region has a higher proportion of younger residents. In 2016, the largest age group in the Inner Metro Region was between 15-29 years old, making up 35 per cent of the region's population. By 2051, it is estimated this will shift and the largest age group will be between 30-44 years old with an increase of 111,780 people. The age group between 15-29 years old will be the second largest age group. In terms of the older population, only 13 per cent of the region was aged over 60 in 2016, compared to 18 per cent for metropolitan Melbourne. By 2051 an additional 82,400 people are expected to be aged 60 and above, accounting for 17 per cent of the region's population compared to 24 per cent for metropolitan Melbourne.

TABLE 7. Actual and projected population by Local Government Area, 2016 - 2036

	2016	2020	2026	2031	2036
Melbourne	146,100	183,760	242,210	270,540	292,630
Port Phillip	108,630	116,480	131,890	142,880	159,450
Yarra	92,890	103,130	115,590	125,860	136,450
Inner Metro Region	347,620	403,360	48,680	539,280	588,530

Source: Victoria in Future, DELWP, 2019 and Regional Population, Australian Bureau of Statistics, 2021

FIGURE 12. Regional actual and projected population by age, 2016 - 2051



Source: VIF, 2019

In terms of household type, lone person households were the most prevalent in the Inner Metro Region in 2016, making up 37 per cent of households, while families with children made up 19 per cent of the region's households. In comparison, across metropolitan Melbourne, 45 per cent of households were families with children in 2016. The Inner Metro Region is the only region in metropolitan Melbourne where families with children is not the largest percentage of household types. By 2051, the projected percentage of lone person households for the Inner Metro Region will remain the highest at 38 per cent while 22 per cent of households will be families with children.

Housing stock

The Inner Metro Region has a tight-knit network of neighbourhoods with a diverse range of housing types. The region is a highly sought-after place to live due to its connections to jobs, services, infrastructure and entertainment, and also its highly valued heritage character. Fine-grain, inner suburbs such as Fitzroy, Collingwood and Richmond are dominated by Victorian-era housing which, initially built for the working class, are characterised by smaller lots and one and two-storey buildings. In the 1920s, flats were a typical housing type in South Yarra and St Kilda to serve people working in the Central City. Much of the building stock constructed from 1850 to 1950 remains. The region contains pockets of higher-density apartment development outside the Central

City including in older urban renewal areas such as Southbank, Docklands and Beacon Cove in Port Melbourne, which were generally constructed in the 1980s and 1990s, and clusters of low- and high-rise public housing in areas such as Flemington, North Melbourne and Richmond.

Projected housing requirements

Victoria in Future (VIF) projections are published at LGA level for a 20-year horizon from the most recent Census data – currently from 2016 to 2036. Beyond this period knowledge of land supply, dwelling construction and population distribution trends become less certain.

VIF projections indicate that based on the continuation of current trends and knowledge of long-term greenfield land supply, approximately

66 per cent of net additional dwellings across metropolitan Melbourne are expected to be in established areas and 34 per cent in greenfield areas. The housing distribution figures between established areas and greenfield areas are shown in **Table 8**.

Plan Melbourne provides an alternate aspirational housing distribution scenario based on achieving 70 per cent of new housing provided within Melbourne's established areas and the remainder 30 per cent accommodated in greenfield areas. This scenario assumes that a total of 70,000 dwellings across metropolitan Melbourne, which VIF 2019 projections allocated to greenfield areas, could be accommodated in established areas to realise the aspirational 70/30 distribution between 2019 to 2051 (**Table 9**).

TABLE 8. Scenario 1 VIF 2019

REGION	NET DWELLING ADDITIONS 2016 TO 2051		
	Total	Established	Greenfield
Inner Metro	225,000	225,000	0
Western	412,000	177,000	235,000
Northern	352,000	167,000	185,000
Inner South East	119,000	119,000	0
Eastern	192,000	192,000	0
Southern	313,000	184,000	129,000
Total Melbourne	1,613,000	1,064,000	549,000
	100%	66%	34%

TABLE 9. Scenario 2 Aspirational scenario

REGION	NET DWELLING ADDITIONS 2016 TO 2051		
	Total	Established	Greenfield
Inner Metro	235,000	235,000	0
Western	402,000	197,000	205,000
Northern	347,000	182,000	165,000
Inner South East	124,000	124,000	0
Eastern	202,000	202,000	0
Southern	303,000	194,000	109,000
Total Melbourne	1,613,000	1,134,000	479,000
	100%	70%	30%

Note: For the purpose of these figures, greenfield areas include land in a growth area council that is either currently under development or identified for future development

The Inner Metro Region will need to accommodate 10,000 additional dwellings from the baseline VIF scenario.

Table 10 shows the aspirational housing distribution scenario for each LGA in the Inner Metro Region to 2036. This is achieved by apportioning the net dwelling additions in the established area for each metropolitan region and distributing these between LGAs in the region. The aspirational scenario is

based on the locations where most housing growth is anticipated across the established metropolitan area such as the Central City, NEICs, metropolitan and major activity centres, major urban renewal precincts and future SRL precincts. The 70/30 dwelling redistribution for the region will provide guidance to local councils for accommodating housing growth that achieves the aspirational housing distribution for metropolitan Melbourne.

TABLE 10. Inner Metro Region 70/30 dwelling redistribution by LGA to 2036

LGA	VIF2019 DWELLINGS		INCLUDING 70/30 DWELLINGS	70/30 DWELLING REDISTRIBUTION	SHARE OF REGIONAL REDISTRIBUTION
	2021	2036	2036		
Melbourne City	108,800	156,000	158,500	2500	50%
Port Phillip	65,600	92,100	93,800	1700	34%
Yarra	52,800	69,200	70,000	800	16%
Inner Metro	227,200	317,300	322,300	5000	100%

Source: DELWP, 2021

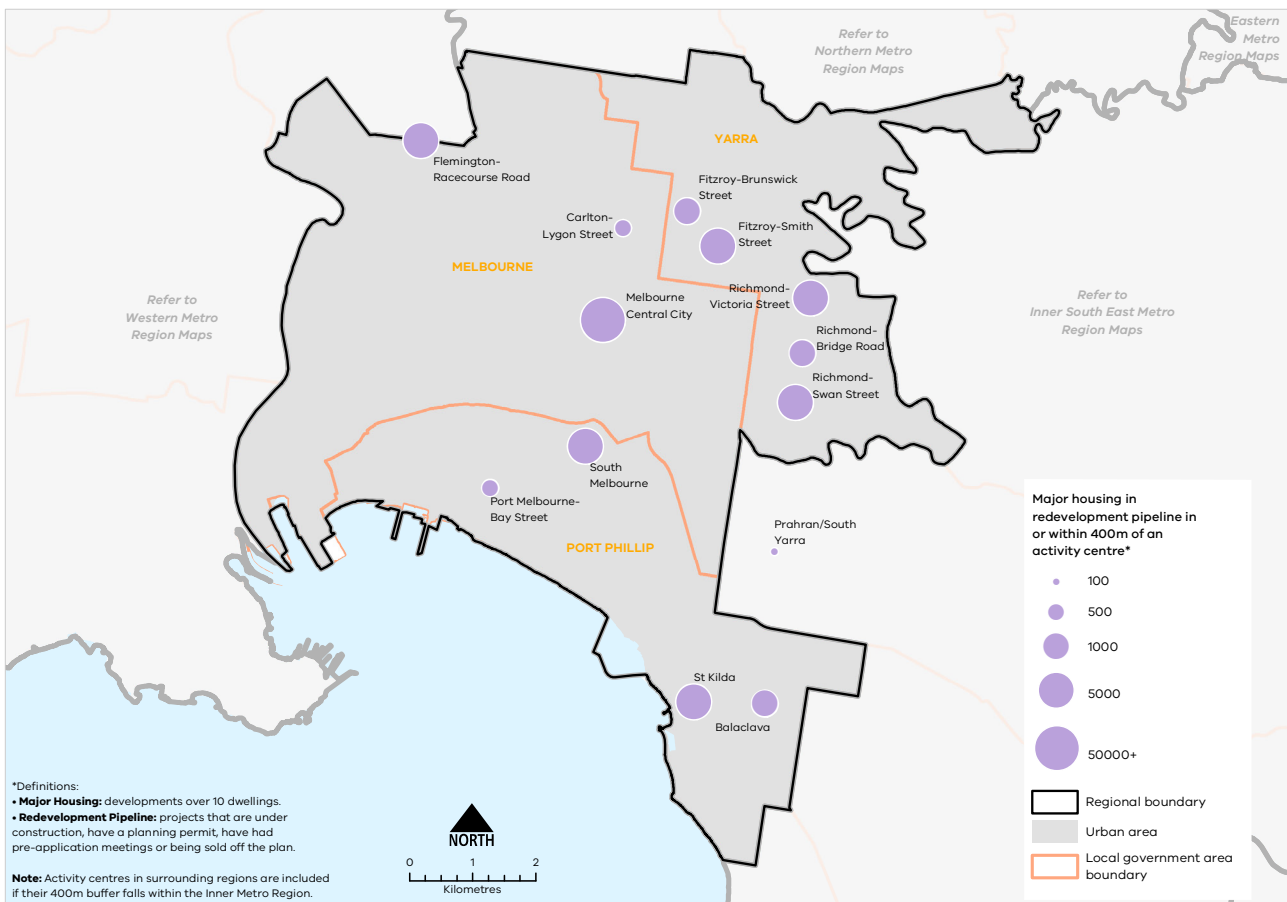
Locations for housing growth

Between 2005 and 2016, most residential development in the Inner Metro Region occurred within activity centres (Appendix 02). Melbourne LGA recorded 81 per cent of its net dwelling developments in the Central City and major activity centres while Yarra LGA recorded 57 per cent of its residential development in major activity centres. Dwelling development outside the 400-metre radial area around activity centres was low in both Melbourne and Yarra LGAs, with 7 per cent and 13 per cent respectively. Port Phillip LGA saw more even distribution of net dwelling development across the LGA with 36 per cent of net dwellings developed in activity centres, 37 per cent within the 400-metre buffer around activity centres and 27 per cent outside activity centres.

Most growth in the Inner Metro Region will be focused on major urban renewal precincts including Docklands, Fishermans Bend Urban Renewal Area (Montague, Lorimer, Sandridge and Wirraway), Arden, Macaulay, Dynon, E-Gate and the Flinders Street Station to Richmond Corridor. These state-significant precincts will be resilient, walkable, distinctive places that contribute to the diversity and appeal of the Inner Metro Region.

New housing development in the Central City will continue to provide high-density apartment-type living with studio, one- and two-bedroom units. Significant housing redevelopment is taking place in established neighbourhoods close to the city such as Fitzroy, Collingwood, Richmond, South Melbourne and Port Melbourne. Areas within 400 metres of the Inner Metro Region's major activity centre network will provide mixed-use residential development close to key commercial and retail, services and amenities, as shown in Figure 13.

FIGURE 13. Major housing in the redevelopment pipeline in or within 400 metres of an activity centre



Source: Urban Development Program 2019, Department of Environment, Land, Water and Planning

Housing demand and its impact on affordability

Between 2011 and 2017, the Inner Metro region experienced increasing median prices for detached dwellings, with Port Phillip LGA maintaining the highest median house price compared to Melbourne and Yarra LGAs. For apartments and units, prices have fluctuated over the same time period with a general overall increase (SGS, 2019b).

In terms of rental affordability, the Inner Metro Region is one of the least affordable. Port Phillip and Yarra are among the LGAs with the lowest proportion of affordable rental dwellings in metropolitan Melbourne (less than 1 per cent of affordable rental housing). Melbourne LGA has between 1 and 2 per cent affordable rental dwellings (DHHS, 2020).

There are several existing Victorian Government initiatives in place to improve the supply of affordable housing, including social housing. These include Victoria’s Big Housing Build, the Social Housing Growth Fund, 1000 Homes initiative and the Redevelopment of Public Housing Estates. Port Phillip LGA has been identified as a priority area to increase the supply of social and affordable housing in the Inner Metro Region as part of Homes Victoria’s Big Housing Build program.

Regional strengths

- Major urban renewal precincts identified in and around the Central City provide opportunities for high-density housing in new mixed-use neighbourhoods, leveraging existing jobs, services and infrastructure.
- The region benefits from a well-established network of major activity centres which have walkable neighbourhoods, are serviced by good public transport, and have a good mix of jobs, services and amenities.
- The region's highly valued heritage and neighbourhood character contributes to its identity and requires protection.

Regional challenges

- There is an ongoing need to balance housing development with employment uses, particularly around state-significant commercial land in the CBD.
- Greater housing diversity is required to reflect community needs, especially providing adaptable and flexible housing options that support working from home and the ageing population to 'age in place'.
- There is insufficient supply of affordable housing in the Inner Metro Region and the housing prices are exceptionally higher than other metro regions.
- New housing needs to be high-quality, well-designed, durable, environmentally sustainable and resilient to climate change.

Directions and strategies

The directions identified to achieve the 2050 vision for the Inner Metro Region in terms of housing choice and Outcome 2 of Plan Melbourne are:

Direction 8	Increase the supply of housing in the Inner Metro Region and ensure housing matches the needs of the growing and changing population
Direction 9	Provide greater choice and diversity of housing in the Inner Metro Region
Direction 10	Increase the supply of social and affordable housing

Each direction is implemented through regionally-specific strategies identified in this land use framework plan

Map 3 shows how housing choice will be enhanced across the Inner Metro Region by 2050 as a result of these directions and strategies, together with Plan Melbourne and other strategies and initiatives as outlined in **Appendix 01**.

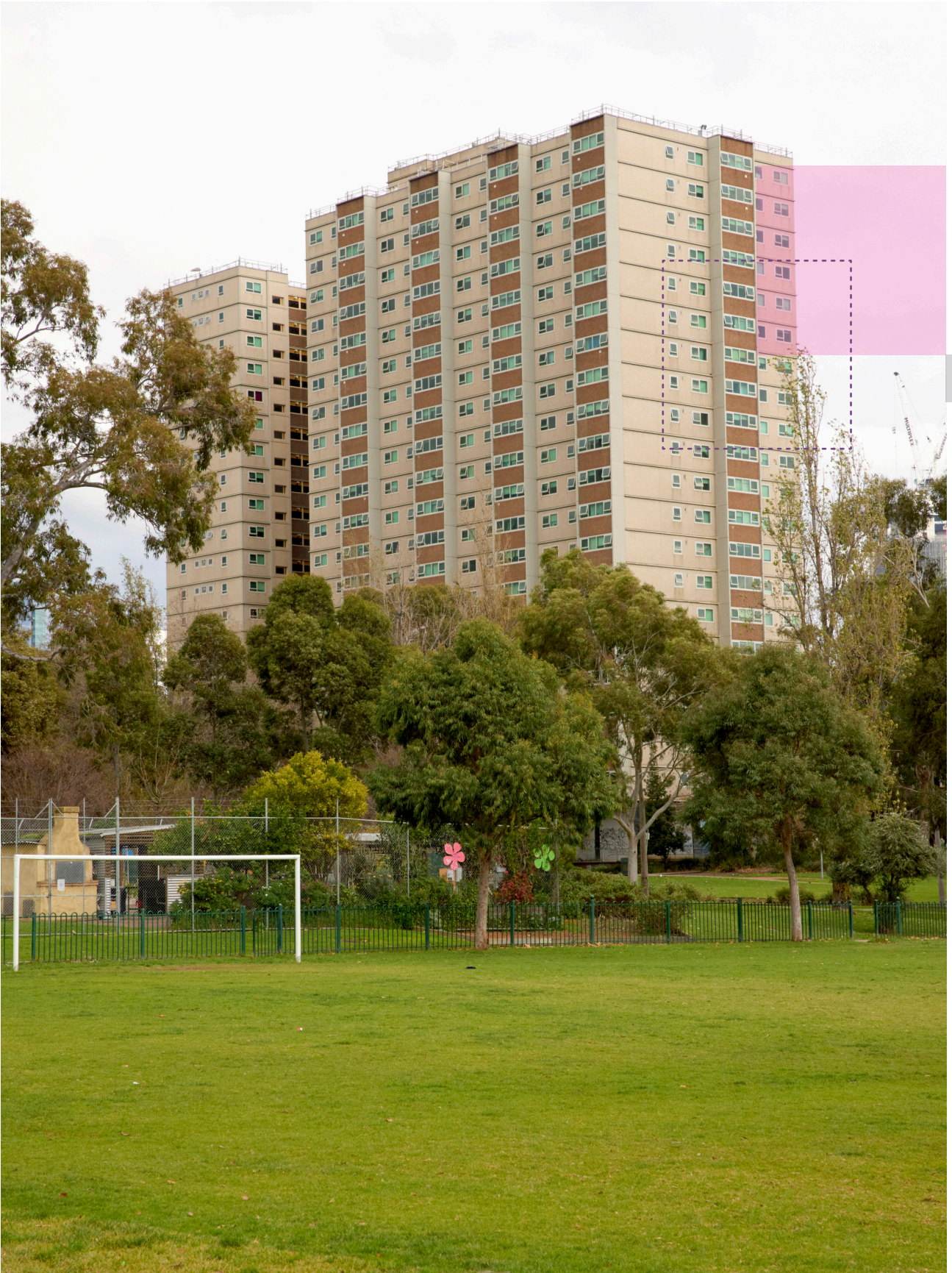





Photo credit: Tim Bell Studio

MAP 3. Inner Metro Region housing choice 2050

Precincts and Activity Centres

-  National employment and innovation cluster (NEIC)*
-  Walkable catchment - indicative*
-  State-significant commercial land*
-  Regionally-significant commercial land*
-  Central Business District
-  Urban renewal area
-  Major urban renewal precinct - priority
-  Major urban renewal precinct - other

Transport

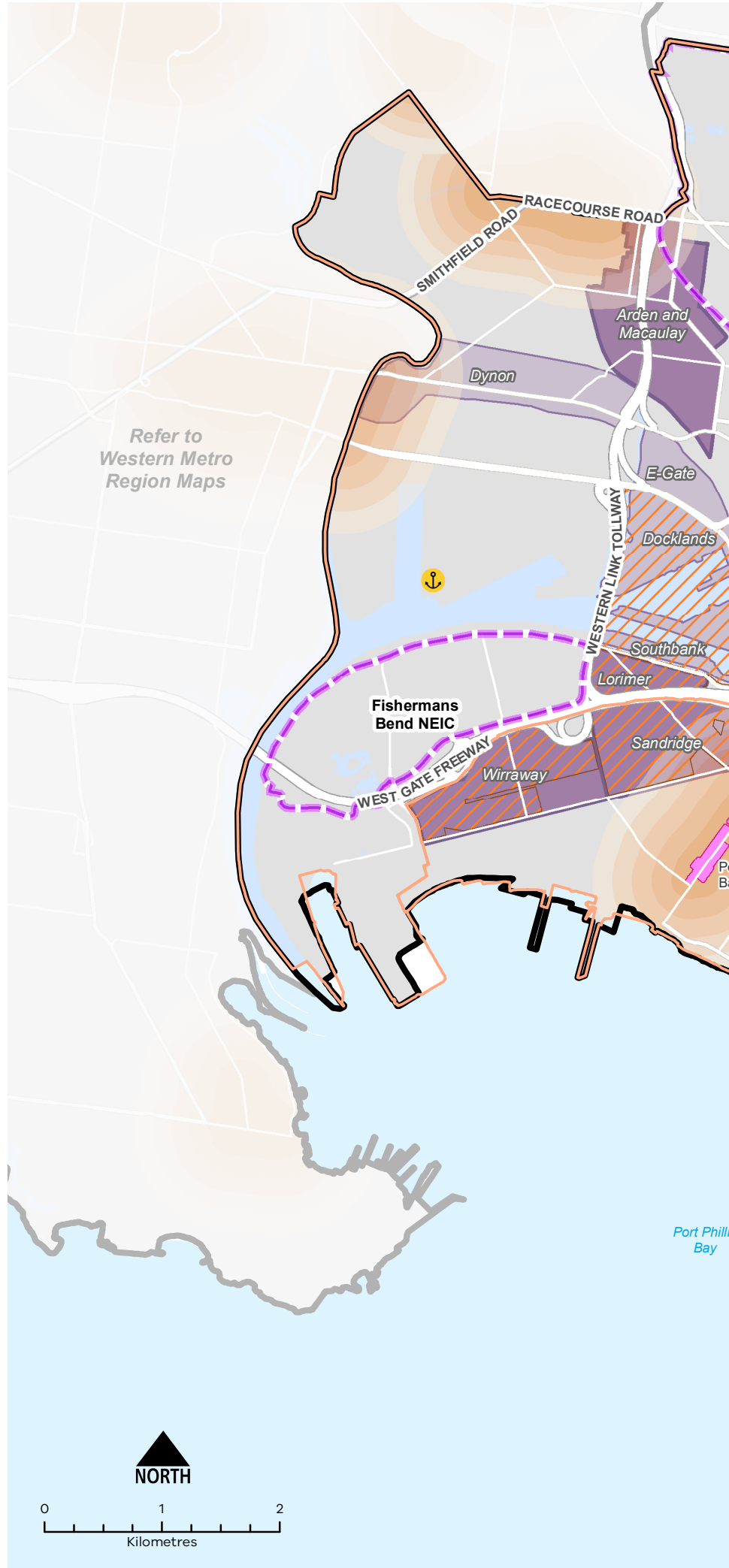
-  Transport Gateway - Seaport
-  State-significant road corridor
-  Road network

Environment

-  Waterbody

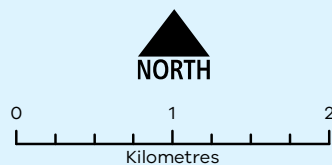
Land use/Administration

-  Regional boundary
-  Urban area
-  Local government area boundary

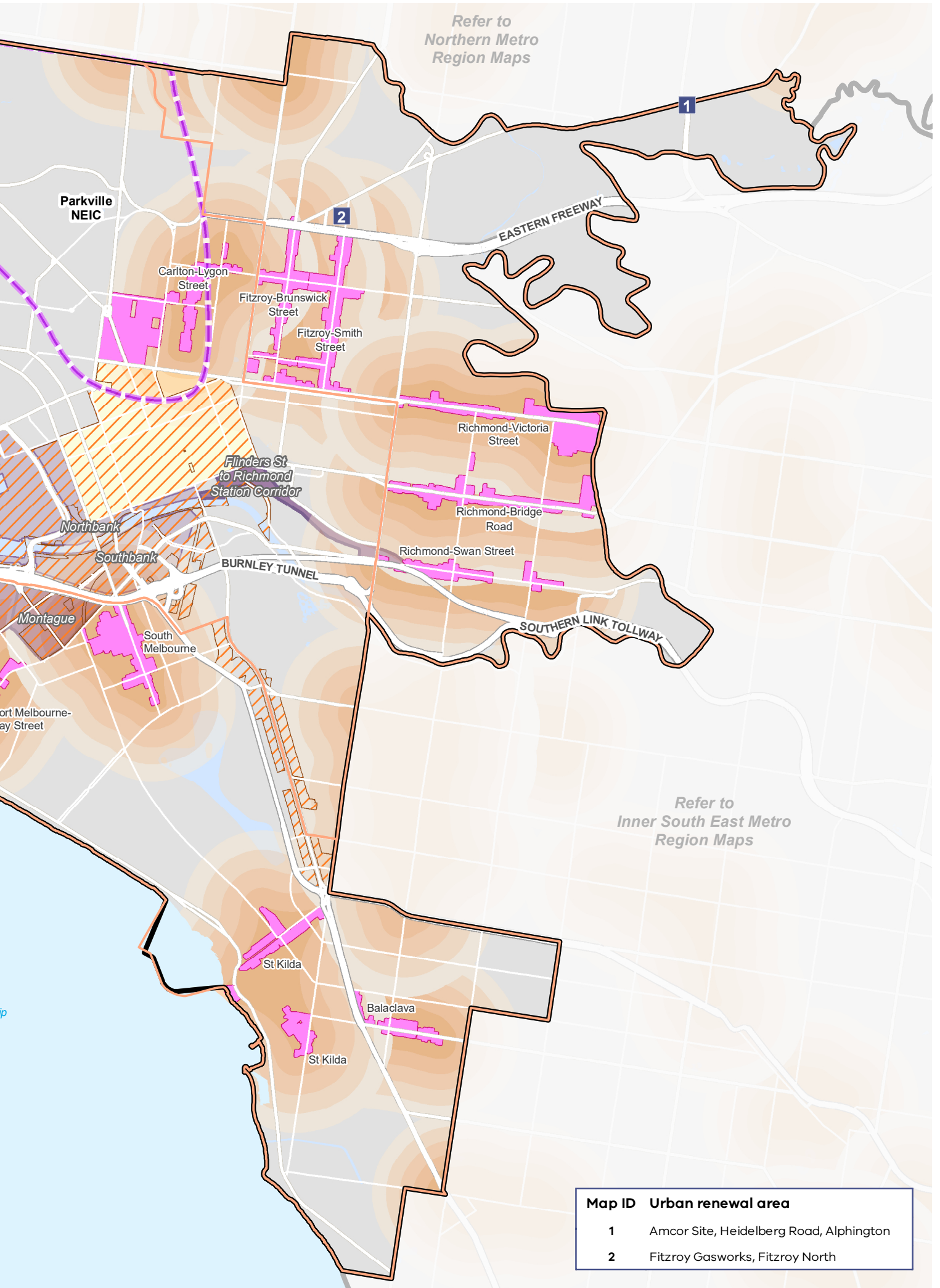


*NEIC boundary is indicative only and subject to detailed planning.
 *These layers are based on the state- and regionally-significant commercial land identified in MICALUP, 2019. The activity centre boundaries identified in local council planning schemes may differ.

*Residential zoned land in these locations suitable for medium- and higher-density housing, subject to the provisions of any local council planning scheme or adopted municipal housing strategy.



Port Phillip Bay



Map ID	Urban renewal area
1	Ancor Site, Heidelberg Road, Alphington
2	Fitzroy Gasworks, Fitzroy North

DIRECTION 08.**Increase the supply of housing in the Inner Metro Region and ensure housing matches the needs of the growing and changing population**

Plan Melbourne aims for 70 per cent of net additional dwellings to be provided within Melbourne's established areas and the balance in greenfield areas. As the Inner Metro Region has no greenfield areas, its contribution must be accommodated in the established urban area. The Inner Metro Region is well-served by the Principal Public Transport Network (PPTN) with most areas having access to multiple modes of public transport. The compact, fine-grain development structure makes neighbourhoods in the region more walkable. This allows the Inner Metro Region to provide much higher-density housing than other regions as it is well connected to employment opportunities, services and amenities, including public open space.

The Central City is expected to continue to provide high-density, high-rise apartment buildings that support a vibrant public realm, as well as contribute to housing near jobs, services and transport. By increasing the density in the Central City, this alleviates the need to increase residential densities in other parts of the region which may not be well-placed to support substantial change.

Major urban renewal precincts where significant housing growth is anticipated are being planned using 20-minute neighbourhood principles to ensure they are well-designed spaces, with a genuine mix of uses and safe, healthy living environment for all residents. Planning will also ensure future precincts provide sufficient active open space and service amenities for future residents as well as suitable job opportunities to support communities in these precincts.

Outside the Central City, the activity centre network in the Inner Metro Region will accommodate new medium- and higher-density housing through a range of new housing types, such as townhouses, units and apartments. Development in these centres will help provide diverse housing across the region, with built forms including low- and mid-rise buildings. Most of the major activity centres in the region such as Carlton-Lygon Street, Fitzroy-Brunswick Street and Richmond-Bridge Road are based on a linear 'high-street' form with fine-grain subdivisions. This includes existing two- or three-storey buildings protected by heritage overlays which may be more difficult to redevelop into new medium- to higher-density dwelling developments.

Substantial and incremental change areas will experience varying degrees of change relative to

the existing context and will not only increase the supply of housing, but also contribute to a diversity of housing types and built form outcomes. Lower-density areas are expected to accommodate housing growth within the context of the existing or preferred character. Minimal housing change areas are identified for their special characteristics such as neighbourhood, heritage, environmental or landscape characteristics that should be protected. The Inner Metro Region has a strong European, post-settlement heritage character particularly along the linear major activity centres and significant landscape values along the Yarra River. These values are fundamental to the character and desirability of the region as a place to work and live, and the development in these locations must respect and protect this character in line with existing planning controls.

Table 11 identifies locations for medium- and higher-density housing in the Inner Metro Region.

STRATEGY 28. Maximise housing development within the established areas of the Inner Metro Region to achieve the aspirational housing distribution scenario for metropolitan Melbourne.

STRATEGY 29. Encourage high-density housing in the Central City while supporting its commercial role through genuine mixed-use developments.

STRATEGY 30. Increase the supply of medium- and higher-density housing in appropriate locations in major activity centres, major urban renewal precincts, urban renewal areas, and in neighbourhood activity centres along tram corridors and serviced by good public transport.

STRATEGY 31. Balance employment uses with residential uses in major urban renewal precincts, major activity centres and large mixed-use developments to achieve a genuine mix of uses in locations identified for both employment uses and medium- and higher-density housing.

STRATEGY 32. Support adaptive and innovative approaches in the design of new residential development that respects the heritage and neighbourhood character of the locality.

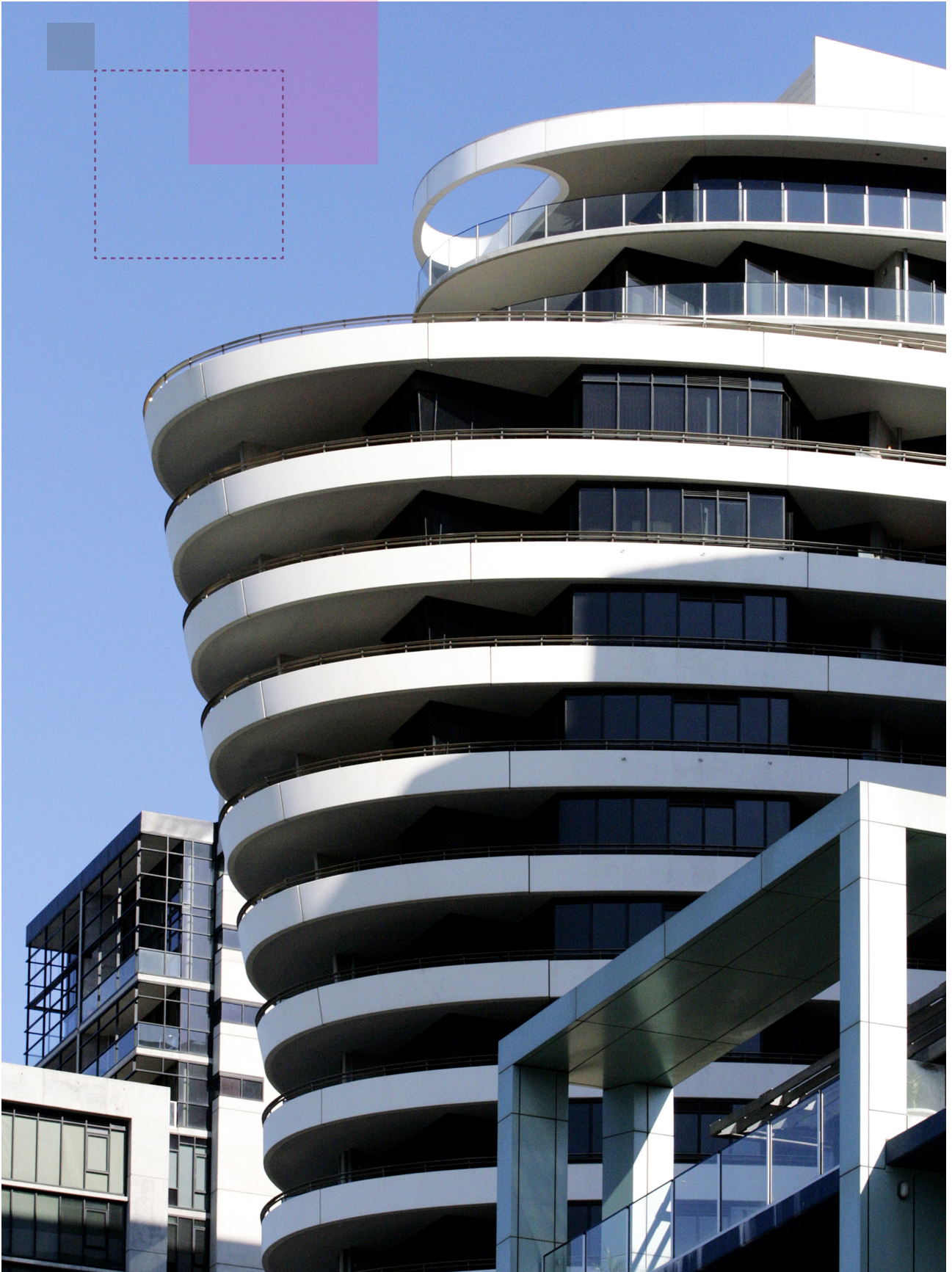


Photo credit: Department of Jobs, Precincts and Regions

TABLE 11. Locations for medium- and higher-density housing in the Inner Metro Region

CLASSIFICATION	LOCATIONS	ROLE/FUNCTION FOR HOUSING
Central City	The CBD St Kilda Road Southbank Docklands	The Central City (which comprises the CBD as well as Docklands, Southbank and St Kilda Road) is the largest commercial and residential centre which will accommodate well-designed, high-density residential development.
NEICs	Fishermans Bend Parkville	NEICs can provide housing opportunities in designated locations where they complement the NEICs' primary role as a cluster of business activity of national significance. Parkville and Fishermans Bend NEICs have a primary function of providing speciality employment uses. In the Parkville NEIC, residential uses may be appropriate in suitable locations and where it supports institutions in the NEIC.
Major urban renewal precincts	Docklands Fishermans Bend Urban Renewal Area (Lorimer, Montague, Sandridge, Wirraway) (priority precinct) Arden (priority precinct) Macaulay E-Gate Dynon	Major urban renewal precincts are a major source of medium- and higher-density mixed-use development and will develop a mix of uses and deliver high-quality, distinct and diverse neighbourhoods beyond 2051.
Major activity centres	Balaclava Carlton-Lygon Street Fitzroy-Brunswick Street Fitzroy-Smith Street Port Melbourne-Bay Street Richmond-Bridge Road Richmond-Swan Street Richmond-Victoria Street South Melbourne St Kilda	Major activity centres are suited to medium- and higher-density housing and mixed-use development. Substantial housing change opportunities may extend to a walkable catchment of 800 metres around the centre (depending on the local context) based on the 20-minute neighbourhood principle of locating housing close to jobs, services, amenities and public transport. While all major activity centres will accommodate housing change, the degree of change is relative to the existing context and characteristics of each major activity centre (Table 6).

CLASSIFICATION	LOCATIONS	ROLE/FUNCTION FOR HOUSING
Neighbourhood activity centres	Neighbourhood activity centres	Some neighbourhood activity centres may be suitable for mixed-use medium- and higher-density housing, particularly when they are serviced by good public transport. Housing opportunities may also extend to a walkable catchment of 800 metres around the centre (depending on the local context) based on the 20-minute neighbourhood principle of locating housing close to jobs, services, amenities and public transport.
Urban renewal areas and greyfields	Amcors Site, Heidelberg Road, Alphington Fitzroy Gasworks, Fitzroy North	Urban renewal areas identified in the LUPF are locations nominated by the local councils or State Government with opportunities for medium- and higher-density mixed-use development. These locations have regional value based on one or more the following characteristics: land size; proximity to the PPTN or future transport infrastructure; government-owned; or requiring cross-municipal planning. These areas will be planned according to 20-minute neighbourhood principles. A coordinated approach to planning for these areas will maximise their development opportunity and any infrastructure needs.
Housing opportunity areas	St Kilda Road North Precinct St Kilda Road South	Housing opportunity areas are identified by local councils as areas where substantial housing change is anticipated as a result of being located on the PPTN or along main roads. These locations are generally zoned as Residential Growth Zones where housing at increased densities and housing diversity is expected.

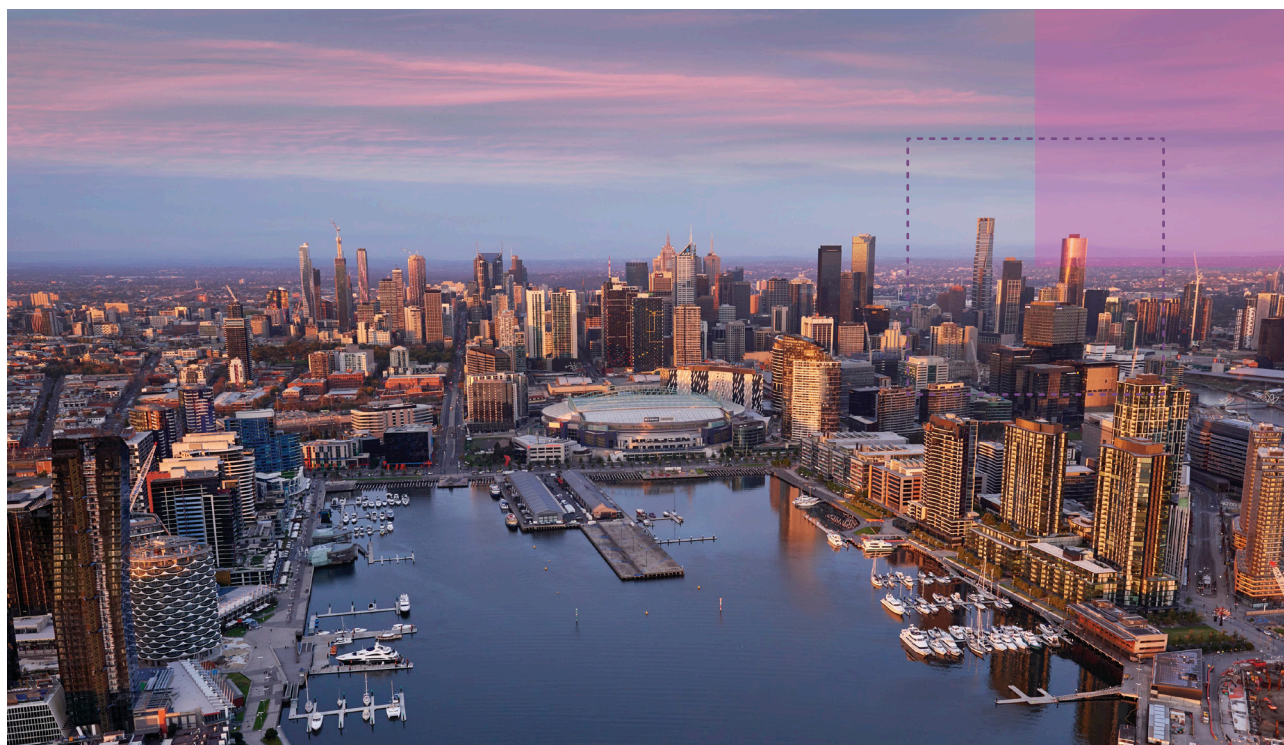


Photo credit: Lensaloft

DIRECTION 09. **Provide greater choice and diversity of housing in the Inner Metro Region**

The Inner Metro Region's housing stock largely comprises apartments, units and flats, which in 2016 accounted for over 70 per cent of housing stock in the region. Unlike other metropolitan regions where separate houses dominate the residential stock, the Inner Metro Region only has 7.5 per cent separate dwellings. Most housing stock is two-bedroom dwellings and there is a shortage of three- and four-bedroom dwellings in the region compared to metropolitan Melbourne. Dwellings with three bedrooms or more accounted for 26 per cent of all dwellings, compared to the metropolitan average of 73 per cent.

Providing greater housing diversity in the Inner Metro Region will give residents more opportunities to stay in the region as their lifestyles or circumstances change. The population demographic in the region is younger than other regions in metropolitan Melbourne and mostly comprises lone persons or couples without children. It is projected the age structure will shift slightly by 2051 with the largest age group being between 30 and 44 years old. Residents looking to expand their families should have the opportunity to remain in their existing neighbourhoods. Wirraway and Montague are planned to be predominantly family-friendly neighbourhoods and will provide housing diversity in the form of small- to medium-scale apartment buildings as well as some higher-rise developments.

Developing new housing stock that caters for population change and encouraging dwellings with more bedrooms, or more flexibility generally, will accommodate a more vibrant and inclusive community. This applies to older people and people with disabilities who rely on services and amenities in their existing communities in the Inner Metro Region.

The number of internationally recognised education institutions has catalysed the growth of student accommodation in the region. In certain areas such as City North in the Melbourne LGA, student housing has dominated the residential market and contributed to the lack of housing choice in the area. Ensuring greater housing diversity and a genuine mix of uses in these locations will create greater amenity for residents and more diverse communities.

Providing housing choices suitable and affordable for key workers such as teachers, childcare workers, nurses and other essential service workers is important for the region to retain high-quality employees in state-significant health and/or education precincts and NEICs. Many of these workers are on moderate incomes and are unable to afford living close to their place of work due to the high rental and property prices in the Inner Metro Region.

Not only should housing stock be more diverse, new residential developments, including student accommodation, should be high-quality, environmentally sustainable and durable to meet the changing needs of occupants. The Victorian Government's Better Apartments Design Standards aim to improve the liveability and sustainability of apartments including new standards around the provision of communal and private open space, landscaping and integration with the street. Improved quality of external materials for buildings will ensure longevity and easier maintenance of the building, while canopy tree cover will contribute to cooling and greening initiatives.

- STRATEGY 33.** Encourage a genuine mix of dwelling types and sizes in the Inner Metro Region, including providing larger dwellings suitable for families and shared households in apartment developments, to accommodate the changing future needs of the region.
- STRATEGY 34.** Support alternative and sustainable residential development formats such as co-housing or build-to-rent in appropriate locations, and car-free residential development models in locations with good access to alternative transport modes.
- STRATEGY 35.** Facilitate the development of housing that is adaptable and flexible to cater for changing demographics and can accommodate different household types and configurations over the building's lifetime.
- STRATEGY 36.** Optimise the opportunities for student accommodation and key worker housing within or close to Carlton-Lygon Street, Fitzroy-Smith Street, and Richmond-Bridge Road major activity centres and around health and/or education precincts in the Inner Metro Region.
- STRATEGY 37.** Ensure new residential development is well designed, durable, resilient to climate change and built to a high-quality standard.
- STRATEGY 38.** Adopt a place-based approach to the delivery of infill housing developments to replace ageing housing stock, ensure a high-quality of design that is appropriate for the local context and contributes to housing supply and diversity.
- STRATEGY 39.** Recognise the value of mixed housing tenures in the Inner Metro Region and its contribution to greater diversity in local communities.



DIRECTION 10. **Increase the supply of social and affordable housing**

Affordable housing is defined in the *Planning and Environment Act 1987* as housing appropriate for the needs of very low-, low- and moderate-income households, and includes social housing provided by the government or a registered housing agency. The provision of social and affordable housing is not solely a planning issue and a range of programs and measures across all levels of government are required to deliver more social and affordable housing.

Planning should facilitate the delivery of affordable housing in the Inner Metro Region by considering opportunities to renew existing public housing stock and developing under-utilised or disused government-owned land for social housing. Locations that are closer to jobs, services and public transport, as well as sustainable design, will help lower household costs, which is particularly important to very low-, low- and moderate-income households. Strengthening the role of planning to facilitate and deliver affordable housing opportunities will help make Melbourne a liveable city for all.

The social and affordable housing system, consisting of government, the community housing sector and industry, provides housing options for those unable to access the private housing market. There are currently 116,351 people living in social housing owned or managed by Homes Victoria (Director of Housing) or a registered housing corporation across Victoria. Victoria has the lowest proportion of social housing in Australia and will require 4000 homes per year for Victoria's social housing to reach the national average of 4.2 per cent of social housing to total dwellings.

The Victorian Government's Big Housing Build program aims to increase existing social housing stock across Victoria by 10 per cent and, in the next five years, over 12,000 new dwellings will be built. The program is Victoria's largest investment in social and affordable housing and Homes Victoria has been established to deliver the program as well as ensure an ongoing pipeline of social and affordable housing development beyond the Big Housing Build. In addition, existing social housing dwellings will be upgraded, maintained or replaced under the program. The Victorian Government has identified 21 priority LGAs for social housing development including Port Phillip in the Inner Metro Region.

The three local councils in the Inner Metro Region have collaborated to develop a regionally consistent methodology to calculate affordable housing need. Each local council has recently completed, or is undergoing, strategic planning to address the provision of affordable housing in its municipality.

STRATEGY 40. Facilitate more affordable housing across the region, particularly in locations that have good access to jobs, services and public transport.

STRATEGY 41. Support a regional approach to determining social and affordable housing needs.

STRATEGY 42. Support the improvement and retention of existing social housing development within the Inner Metro Region.

ACTIONS – Housing choice

ACTION 3. Update planning schemes to align with housing policies in Plan Melbourne and the Inner Metro Region Land Use Framework Plan and the implementation of the reformed residential zones. This includes providing capacity for 15 years of regional housing supply focusing on locations identified for housing growth in the LUFP.

This may require strategic planning work to support these changes such as preparing or updating local housing strategies or preparing structure plans to further investigate where increased densities can be supported, and determine specific changes required to planning schemes.

ACTION 4. Identify underutilised and surplus government land that has the potential to deliver additional social housing.

ACTION 5. In partnership with councils, identify a pipeline of sites in the Inner Metro Region for social and affordable housing.



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