

Victorian Affordable Housing Programs

Residential Tenancies, Housing and Social Services Regulation Amendment (Administration and Other Matters) Act 2022

OFFICIAL



The Victorian Parliament passed the *Residential Tenancies, Housing and Social Services Regulation Amendment (Administration and Other Matters) Act 2022* (the Act) on 2 September 2022 and it received royal assent on 6 September 2022.

The following information relates to Victorian Affordable Housing Programs.

Victorian Affordable Housing Programs

More Victorians than ever are renters, including many who helped Victoria survive the pandemic. They are the essential workers who run our supermarkets, hospitals, schools, and aged and disability care facilities, deliver us water and power, take away our rubbish and recycling, and make our cities, suburbs, and towns work.

There is a growing gap between the existing private rental market and social housing. Many working households are being priced out of private rental.

Homes Victoria will continue to be the provider of public housing in Victoria and steward the homelessness and social housing systems. Homes Victoria is also supporting the growth of an effective affordable housing market. Homes Victoria expands the Director of Housing's former role by addressing the housing needs of low- to moderate-income households where the market is not delivering a sufficient supply of affordable homes.

The Act establishes a framework for the development and delivery of government funded affordable housing – Victorian Affordable Housing Programs (VAHPs).

What will the VAHPs do?

The Victorian Affordable Housing Programs will expand housing supply and diversity to support low to moderate-income households struggling to find suitable private rentals.

They will also:

- provide potential exit points for social housing renters
- provide alternatives for Victorians experiencing housing stress who are unable to access affordable and appropriate housing in the private market
- avert high social costs by intervening early and preventing acute and ongoing housing crises and the need for long-term government support.

How will the VAHP framework operate?

The Act inserts a new Part VIIIIB in the *Housing Act 1983*, which will provide for:

- A new power for the Minister for Housing to declare an affordable housing program a VAHP. The declaration will outline the objectives and overarching parameters of the program.

- The Act also includes a new power for Homes Victoria (the Director of Housing) to determine operational settings for a VAHP. This may include: eligibility criteria; allocation method for VAHP tenancies; application processes; rent settings; tenancy terms; and other associated matters.

The Act clarifies that Homes Victoria must consult with relevant stakeholders in determining the operational settings for each VAHP.

Individually targeted declarations and determinations will enable Homes Victoria to adapt and implement requirements for each affordable housing program to address current and emerging market gaps. For example, future programs could comprise affordable housing delivered through other Victorian Government agencies, partnerships with the Commonwealth Government or private sector and philanthropic partnerships.

The introduction of the notice to vacate provisions for VAHPs alongside similar notice to vacate provisions for the National Rental Affordability Scheme (NRAS) amendments responds to external stakeholder feedback for consistent policies.

What about existing affordable housing programs?

The Act inserts a definition of VAHPs in the *Housing Act 1983*, rather than a definition of 'affordable housing' generally. This approach avoids:

- unintended consequences on the affordable housing currently delivered by community housing providers. Using the term VAHPs means these existing programs can continue to operate without disruption
- any impact on the definition of affordable housing under the *Planning and Environment Act 1987*, which defines affordable housing as "housing, including social housing, that is appropriate for the housing needs of 'very low-, low- and moderate-income households'". The proposed provisions do not preclude these income ranges being referenced by declared VAHPs.

The Act also clarifies that affordable housing provided through a VAHP is **not** social or public housing.

If you would like to receive this publication in an accessible or interpreted format, phone 1300 650 172, using the National Relay Service 13 36 77 if required, or [email Homes Victoria](mailto:enquiries@homes.vic.gov.au) <enquiries@homes.vic.gov.au>.

Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.

© State of Victoria, Australia, Homes Victoria, January 2023

Available at [the Homes Victoria website](https://www.homes.vic.gov.au/residential-tenancies-housing-and-social-services-regulation-amendment-act-2022) <https://www.homes.vic.gov.au/residential-tenancies-housing-and-social-services-regulation-amendment-act-2022>