Social Housing Growth Fund

Information for local government

What is the Social Housing Growth Fund?

The Social Housing Growth Fund (SHGF), announced in 2017, aims to increase the supply of social housing in Victoria by providing a long-term financial commitment to support a pipeline of housing development projects on non-Victorian Government land.

The SHGF is jointly administered by the Treasurer and Minister for Housing. It facilitates and encourages the development of social housing by the community housing sector through innovative partnerships between Homes Victoria and consortia including the community housing sector, private, not for profit and local government sectors.

The fund was initially established with seed capital of $1 billion, invested by the Victorian Funds Management Corporation. Returns from this initial seed capital provide an investment pipeline of new social housing for Victoria. An initial round delivered two programs, the Build and Operate Program and the New Rental Development Program, the results of which were announced in May 2020.

In November 2020, Homes Victoria announced the investment of $5.3 billion in social and affordable housing as part of the Big Housing Build (BHB). This record-breaking investment included a further $1.38 billion for the SHGF to provide up-front grants to eligible Community Housing Agencies (CHAs) to grow the supply of social housing.

These grants aim to deliver the BHB's goals:

- an investment in new social housing to provide long-term housing for Victorians who have applied for social housing through the Victorian Housing Register (the common entry point for public and community housing)
- a critical economic stimulus for the housing and construction industry to accelerate job creation in response to the coronavirus (COVID-19) pandemic.

Big Housing Build - Next Grants Rounds

The next grants rounds under the Big Housing Build will look to build upon the successes and learnings of the Rapid Grants Round, while also being specifically designed to contribute to the delivery of the objectives of the BHB.

The Regional Round

Building social housing in regional Victoria responds to the increasing population in Victoria's growth areas and creates more rental housing to support employment growth in regional towns and cities.

The Regional Round of the SHGF will provide grants to CHAs for well progressed development and construction projects for new social housing located in regional Victoria. **Projects in metropolitan Melbourne will not be accepted in the Regional Round.**

The Regional Round will seek to maximise participation from across the community housing sector, including small, medium and large CHAs that accommodate different cohorts, with varying degrees of need, from across regional Victoria.

Under the BHB, 18 local government areas have been identified for the Minimum Investment Guarantee, with $765 million committed across these local government areas.

more homes for more victorians

homes victoria

VICTORIA State Government

The Regional Round will seek to deliver projects across regional Victoria, in recognition of widespread housing need. Projects will be evaluated based on a range of factors (as per the Rapid Grants Round), including their ability to meet future service needs.

Considering the outcomes of the Rapid Grants Round and other Big Housing Build activity, in the Regional Round, Government may give preference to Projects located within the following nine LGAs to ensure that the Regional Round contributes to the achievement of the objectives of the Big Housing Build:

- Bass Coast
- Baw Baw
- Golden Plains
- Greater Shepparton
- Horsham
- Macedon Ranges
- Mildura
- Moorabool
- Swan Hill

Local councils that identify opportunities, such as on underutilised council land, are encouraged to work with CHAs to develop partnership proposals. CHAs are key delivery partners in this package and can work with local governments to develop projects and seek funding for these through upcoming funding rounds.

The Request for Proposal will be released on Tuesday 19 October 2021.

Homes for Aboriginal Victorians Round

The Homes for Aboriginal Victorians Round will seek to deliver social housing for Aboriginal Victorians, in a manner consistent with BHB Aboriginal First Order Principles. The Round will focus on proposals that support the delivery of housing through Aboriginal Community Controlled Organisations (ACCOs). **Projects may be located within both metropolitan Melbourne and regional areas.**

The Homes for Aboriginal Victorians Round is expected to commence in November 2021. Additional information in respect to Homes for Aboriginal Victorians Round is available in the separate market briefing document.

Mental Health Supported Housing Round

The Mental Health Supported Housing Round will focus on delivering social housing for Victorians living with intensive, ongoing mental illness. A co-design process with people with lived experience of mental illness, their families, carers and supports and other stakeholders will be undertaken to inform the building type and support model/s, in accordance with the Recommendations of the Royal Commission into Victoria's Mental Health System.

Additional information on this round will be made available in the coming months.

Further Social Housing Growth Fund Opportunities

In addition to the Next Grants Rounds under the Big Housing Build, there will be other opportunities in the future for the community housing sector to partner with the Victorian Government to deliver social and affordable housing across Victoria.

Leveraging the additional $1 billion in seed capital invested in the fund, a second round of the Build & Operate program is planned for late 2022.

This is expected to be open to new social housing projects across Victoria, providing an opportunity for projects which may not meet the parameters of the Next Grant Rounds.

Streamlined Planning Provisions for Social and Affordable Housing

To facilitate timely and efficient planning decision making for social and affordable housing projects, the Minister for Energy, Environment and Climate Change approved planning rules at Clauses 52.20 and 53.20 of the Homes Victoria Planning Provisions.

As expected, a number of social and affordable housing projects funded under the BHB have requested access to the streamlined planning provisions. It is also anticipated that future projects will seek access to the streamlined planning provisions.

Any projects seeking the streamlined planning provisions are required to meet the requirements of the two Homes Victoria guidelines:

- Projects on behalf of the Director of Housing guidelines (OBO Guidelines)– July 2021
- Consultation guidelines – July 2021

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