

# Fixing our housing system

## SIGNIFICANT INITIATIVES

- **Social Housing Growth Fund and Affordable Housing Investment Partnerships expansion** \$193m in 2026-27 (\$859.7/5yrs) expands investment in the Social Housing Growth Fund to deliver more than 7,000 new social housing homes by the community housing sector over the next 10 years.
- **Rent-to-buy for First Peoples** \$14.5m in 2026-27 (\$16m/4yrs) to deliver a Rent-to-Buy pilot for First Peoples to support increased home ownership.
- **Continuing supportive housing for rough sleepers using a Housing First model** \$6.1m in 2026-27 (15.1/2 yrs) to continue critical service delivery operations at five supportive housing sites across Victoria.
- **Making homelessness rare and non-recurring** \$6.2m in 2026-27 (\$25.8/4yrs) for critical homelessness services to tackle rough sleeping and help people escape the cycle of homelessness.
- **Support for renters to maintain tenancies** \$3.0m in 2026-27 (\$6.1/2yrs) to expand the Tenancy Plus program, which provides support for social housing renters who are at risk of losing their homes and becoming homeless. Funding will also support First Peoples social housing tenants.

## WHAT'S GOOD

- The Government has committed to build 7,000 new community housing properties through the *'Social Housing Growth Fund and Affordable Housing Investment Partnerships expansion'*, with 10% allocated to better housing supply and services for First Peoples. While this is a critical baseline, decades of under-investment in social housing has left Victoria with the lowest proportion of social housing nationally, and average wait times exceed 18 months. The Victorian Housing Peaks Alliance's *'Growing Social Housing'* report paints a stark picture of unmet demand. VCOSS continues to call for a ten-year target of at least 7,990 new social housing homes per year, supported by sustained public investment and inclusionary zoning.
- This Budget allocates \$16m to deliver a Rent-To-Buy pilot for First Peoples. A key aim for [\*Mana-na worn-tyeen maar-takoort\*](#) is for Aboriginal home ownership levels to match those of other

Victorians – the establishment of this scheme is a positive step in unlocking these opportunities. However, current funding will only provide 30 newly constructed affordable rental dwellings, which is significantly lower than what is needed to meet demand. We note that this is not a new investment.

- This Budget makes some critical investments in the specialist homelessness sector, including continued funding to maintain delivery operations at five supportive housing sites. These sites provide wrap-around supports to enable people to exit homelessness. VCOSS also welcomed the funding injection through the Budget measure '*Making homelessness rare and non-recurring*'. We understand this funding will expand assertive outreach services which seek out, engage, and support people experiencing homelessness who are not currently engaging with services<sup>1</sup>, as well as funding to provide additional emergency accommodation to people experiencing homelessness.
- Tenancy advocacy is critical for protecting renters' rights, preventing homelessness, and addressing power imbalances. VCOSS is pleased to see this Budget builds on recent investments which doubled funding for private renter support and provides a 30% increase in funding for *Tenancy Plus* - a critical program which supports social housing residents to maintain their tenancies.

## WHAT'S MISSING

- While the \$860m committed to social housing is welcomed, VCOSS notes this funding is being transferred into the *Social Housing Growth Fund* – which enables the building of community housing dwellings. VCOSS calls on the Victorian Government to set a bold social housing target that commits to the expansion of both public and community housing stock. According to Productivity Commission 2026 data<sup>2</sup>, Victoria has delivered just 36 new public housing dwellings since 2016.
- Aboriginal Community Controlled Organisations are for calling for an Aboriginal Homelessness Target and an Aboriginal Social Housing Growth Policy. These two measures are central to the full implementation of *Mana-na worn-tyeen maar-takoort*. We also note this Budget did not allocate a funding uplift to the *Aboriginal Private Rental Assistance Program* or the *Private Rental Assistance Program*.

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<sup>1</sup> CHP's newly released report identified that Victoria needs to expand its assertive outreach workforce to at least 177 workers across the state. This funding is an important step towards meeting this need. Council to Homeless Persons 2026, 'Too Short a Lifeline – Mapping Assertive Outreach report', [Too Short a Lifeline - Mapping Assertive Outreach report - Council to Homeless Persons website](#).

<sup>2</sup> Productivity Commission 2026, 'Report on Government Services 2026', <https://www.pc.gov.au/ongoing/report-on-government-services/housing-homelessness/housing/>.

- Access to long-term and safe housing is vital to ensure young people have the opportunities to flourish in life. This Budget falls short in providing young people the required investment to address youth homelessness. VCOSS continues our long-standing call for a co-designed Victorian Youth Homelessness Strategy which would guide whole-of-government policy-making, improve service system coordination and drive investment to end youth homelessness. A key priority would be to deliver 500 supported housing places for young people experiencing homelessness and mental ill health, as committed to as part of the [Royal Commission into Mental Health](#).
- Implementation of the *Social Housing Regulation Review* is a priority for VCOSS members and the people they support. The independent Panel's [Social Housing Regulation Review Final Report](#) and the [Government's formal response](#) were both published in December 2024 and provide a robust roadmap for social housing regulatory reform. VCOSS is disappointed to see this Budget does not deliver the necessary funding to action the report's recommendations, including the development of a single advocacy body for social housing tenants.