

MEDIA RELEASE

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Zero affordable homes built under voluntary scheme prompts call for mandatory requirements

Victoria's peak community housing body is pushing for mandatory affordable housing contributions for the Suburban Rail Loop precincts, after discovering that a voluntary scheme the state government plans to replicate has delivered zero homes.

Community Housing Industry Association Victoria's (CHIA Vic) [new policy paper](#) reveals not a single affordable home has been built under the Central City Public Benefit Uplift scheme for the CBD and Southbank since it was introduced almost a decade ago.

Under the scheme, developers can voluntarily choose to provide affordable housing or other public benefits, such as office space, in return for building at higher densities.

The planning documents for the Suburban Rail Loop East Precincts outline a similar voluntary uplift framework.

In comparison, mandatory affordable housing schemes in the City of Sydney are expected to deliver 3,484 affordable homes by 2036.

Table: Comparison of Sydney and Melbourne affordable housing contributions

Affordable housing contribution scheme	Mandatory/voluntary	Affordable housing delivery outcomes and projections
City of Sydney	Mandatory	1,534 homes since 1996, with a further 1,950 projected by 2036
Central City Planning Provisions Public Benefit Uplift (Melbourne CBD and Southbank)	Voluntary	0 homes since 2016, out of almost 31,000 new homes approved in that time.

CHIA Vic chief executive Sarah Toohey said: "The voluntary developer contribution scheme for the Melbourne CBD and Southbank has not delivered a single affordable home since it was introduced nearly a decade ago.

"The Suburban Rail Loop will add tens of thousands of new homes around station precincts but right now it's not clear if any of them will be social or affordable

housing. We can't leave the delivery of social housing in these precincts up to a voluntary scheme that we know from experience won't work.

"While the Victorian government lists increasing social and affordable housing as an objective for SRL East, it has effectively surrendered this goal to the discretion of private developers.

"With no mandatory developer requirements, no social housing targets and no direct government funding to build social and affordable homes in the SRL precincts, meeting our communities' diverse housing needs has been left to chance.

"The Suburban Rail Loop's promise of more homes in well-connected locations is a good thing, but without a plan to build social and affordable housing, low and middle-income families and individuals will be locked out.

"Voluntary schemes do not work. The only way to deliver the social housing we need in these communities is for private developers to contribute.

"The rezoning of these precincts will create massive windfall gains to landowners in the area. It is reasonable to share these windfall gains across the community by requiring all new developments to include or contribute to social and affordable housing.

"It's time for the Victorian government to stop hoping that private developers will volunteer to build social and affordable housing and instead make it mandatory."

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