Growing Social Housing:
Data, insights and targets

ABORIGINAL HOUSING VICTORIA

COMMUNITY HOUSING
Industry Association Victoria

Council to Homeless Persons

justice connect

SAFE+EQUAL

Tenants Victoria

VCOSS
Victorian Council of Social Service

VPTA

SGS Economics & Planning

About this report

This report provides data and insights about social housing need across Victoria and models social housing growth targets required to meet expressed demand and total demand. These growth targets are based on a set of housing scenarios, policy scenarios and distribution scenarios. The method is detailed in the body of this report.

All data, insights and analysis, and modelling in this report has been produced by SGS Economics and Planning for the Victorian Housing Peaks Alliance.

The Victorian Housing Peaks Alliance is a group of peak and leading bodies that collectively represent people seeking a home, housing providers, renters, tenants' rights groups and housing support bodies.

Members are independent organisations that come together on issues of shared interest and significance.

The Alliance comprises:

- Aboriginal Housing Victoria
- Community Housing Industry Association (Victoria)
- Council to Homeless Persons
- Justice Connect
- Safe + Equal
- Tenants Victoria
- Victorian Council of Social Service
- Victorian Public Tenants Association.

Acknowledgement of Traditional Owners.

The Victorian Housing Peaks Alliance acknowledges the Traditional Owners of Country and pays respect to Elders and Ancestors. Any discussion about housing, planning or land use must start with a simple acknowledgement: we all live on sovereign and unceded Aboriginal land. This document was produced on the lands of the Wurundjeri people of the Kulin nation.

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1. An introduction to this report from the Victorian Housing Peaks Alliance

Victoria is in a housing crisis.

At the last Census there were more than 30,000 Victorians without a home. Victoria also has more people than any other Australian state or territory living in housing stress – that is, on a low income and paying more than 30 per cent of their income on housing.[1]

Social housing (incorporating both public and community housing) is an essential component of our housing system. It ensures that where the private market fails, through discrimination, high rents and low incomes, or other shortcomings,[2] Victorians can still secure a roof over their head.

However **there's not enough social housing for everyone who needs it.**

Despite Victoria's landmark four-year *Big Housing Build*, decades of under-investment in social housing by previous governments has left our state with the lowest proportion of social housing in Australia.

In Victoria, the current proportion of social housing is 3.1%.[3] After the *Big Housing Build*, it will be about 3.5% – still well under the national average of 4.5%[4] (which itself isn't enough to meet demand).

Currently, the state has housing targets for the private market, but no targets for social housing.

Without this, we are missing a crucial policy lever, market signal and investment driver.

We believe that Victoria needs to:

- set evidence-informed, measurable social housing targets; and

- commit to immediate actions and a long-term strategy that will establish a growth pipeline and make those targets a reality.

To this end, the Victorian Housing Peaks Alliance commissioned SGS Economics and Planning to provide data insights about demand for social housing – as expressed through demand on the social housing waiting list, **and** demand as measured by the housing needs of the community.

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[1] Analysis of Australian Institute of Health and Welfare data by Council to Homeless Persons published on 27 August 2024 at https://chp.org.au/article/new-data-reveals-victoria-worst-in-australia-for-housing-stress/
[2] For example, systemic barriers (market behaviour, workforce culture, capability and capacity) to identifying renters' needs and making appropriate referrals (for example, to tenancy sustainment services).
[3] Refer to SGS Economics and Planning analysis on page 14 of this report.
[4] This was the national average in 2021. Rapid population growth – and under-investment relative to this – has caused some slippage. The Victorian Housing Peaks Alliance's position is that 4.5% is the minimum viable level of social housing we need as a nation.

To allow for long-term planning and alignment with the Plan for Victoria timeframes, we also specified that the model should project demand to 2051.

From this modelling, the Victorian Housing Peaks Alliance has determined that:

- **In order to catch up to the *national average* of 4.5% social housing stock[5], Victoria needs to build 7,990 new social housing dwellings a year for the next 10 years.**

This figure – **7,990 new social housing dwellings a year for the next 10 years** – represents the Victorian Housing Peaks Alliance's **new shared call to action** to the Victorian Government, as part of a pathway to meet total demand for social housing by 2051.

We acknowledge that this target represents a substantial increase in social housing construction in Victoria.

However, we also believe that setting a target to 'catch up to the national average' in 10 years is a modest ambition given the scale of the crisis and the level of need.

In fact, the data in this report shows that, according to SGS Economics and Planning's modelling:

- If Victoria was to meet *expressed demand* for social housing – that is, to house the Victorians on the social housing waitlist *as well as* those currently receiving social housing assistance – we would need to build 10,700 social homes a year for the next 10 years.

- If Victoria was to meet *total demand* – that is, to provide sufficient social housing for the total number of Victorians who need assistance, not all of whom have formally requested it – we would need to build 27,900 social homes a year for the next 10 years.[6]

That's why the Victorian Housing Peaks Alliance is calling for the state to 'Build on the Big Build' and make an enduring and ambitious commitment to growing social housing.

Our current housing crisis is a shared challenge.

Building our way out of it will require strong collaboration and partnership, centred around shared goals – including long-term, measurable social housing growth targets.

The data in this report provides the Victorian Government with evidence to set those targets and drive urgent action on a strategy to achieve them.

We commend this data to you, encourage you to engage deeply with it, and invite you to join us in advocating for measures and committing to actions that will enable a long-term pipeline of ambitious social housing growth.

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[5] Refer to footnote 4.

[6] More detail is provided in the body of this report, in which SGS Economics and Planning has modelled a set of Housing Scenarios, Policy Scenarios and Distribution Scenarios.

2. What we commissioned SGS Economics and Planning to model

The Victorian Housing Peaks Alliance commissioned SGS Economics and Planning to model social housing targets for Victoria, to provide insights on the current and future state of social housing within Victoria.

These targets reflect the need, or demand, from the Victorian community and span several scenarios including alternate levels of aggregate housing/population growth, policy targets for the provision of social housing, and spatial distribution options.

This report presents statewide results and insights for all housing and policy scenarios, and an overview of the spatial distribution scenarios for a single housing scenario and policy scenario.

In commissioning this data, the Victorian Housing Peaks Alliance also recognised:

- Family and domestic violence as a key driver of homelessness, and the important role of social housing in supporting victim survivors to safely leave violent relationships and recover. To this end, Chapter 6 of this report provides data and associated data insights on the specific social housing needs of victim survivors.

- The long-term impacts of colonisation and dispossession on First Nations Victorians. To this end, a companion report has been produced with data on the specific housing needs of First Nations Victorians. This data will be released separately, in a self-determined process led by Aboriginal Housing Victoria.

2.1   Housing Target Scenarios

Social housing targets are modelled under a range of scenarios which serve different purposes, reflect the uncertainty in future outcomes, and test different policy objectives. Combined, this represents 16 alternate social housing target scenarios.

Figure 1: Overview of housing target scenarios
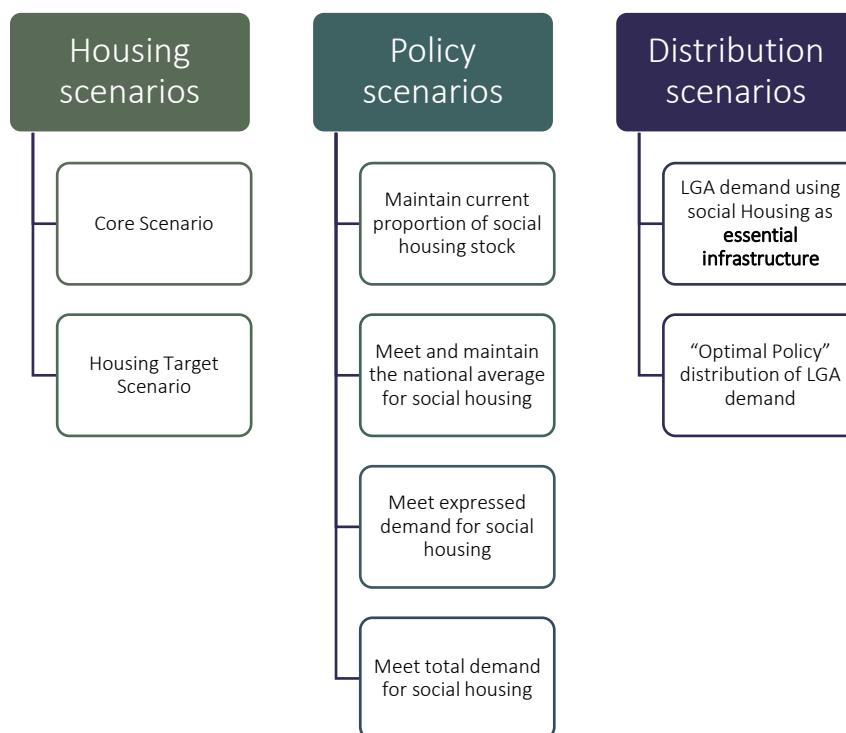
Source: SGS Economics and Planning 2025

Housing Scenarios – represent alternate trajectories for Victoria's aggregate population and household growth (including spatial distribution), which is a key driver of social housing demand:

- **Core Scenario** – The most likely future state for Victoria given past trends and expected future changes (this includes official state internal/external migration forecasts, zoned development areas, and current official growth precincts).

- **Housing Target Scenario** – A policy aspiration scenario that assumes that the outcomes of the Victorian Housing Targets are achieved.

Policy Scenarios – represent alternate policy objectives regarding the ambition and scale of social housing provision.

- **Maintain Current Share** – Maintain the current proportion of social housing stock relative to the total housing.

- **Achieve National Average** – Meet and maintain the national average for social housing stock as a proportion of total housing.

- **Meet Expressed Demand** – Meet the expressed social housing demand.[7]

- **Meet Total Demand** – Meet the total demand for social housing, including expressed demand and unexpressed demand.

Distribution Scenarios – represent different spatial distributions of demand.

- **Essential Infrastructure Distribution** – Social housing is treated as essential infrastructure and distributed across LGAs based on current and future population.

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[7] Definitions of expressed and unexpressed demand are presented in Section 4.3

- **Optimal Policy Distribution –** An extension to the essential infrastructure distribution, the spatial distribution of social housing demand is moderated based on characteristics which affect the suitability of a location (LGA) to provide for the needs of social housing tenants. These characteristics include an LGA's entrenched disadvantage, access to essential services, and the surrounding open space or community infrastructure.

This report details the statewide results for the two housing scenarios and their four policy scenarios. However, for the distribution scenarios, only the 'meet total demand' policy scenario is shown for brevity.

3. SGS Economics and Planning data insights and analysis: Housing Scenarios

Each housing scenario reflects potential household and dwelling projections for Victoria under different circumstances. Before we can model the social housing for Victoria, we must first understand the population and household demand projections.

These projections are then used as a key driver of social housing demand, as social housing demand is a subset of total housing demand. Social housing demand is discussed in Sections 3-4 below.

The figures and tables in this section reflect the number of households or families in Victoria as opposed to structured private dwellings (which would include both occupied dwellings and unoccupied dwellings). For this analysis, a household is a single person or group of people who reside in a single dwelling.

3.1   Core scenario overview

The core housing scenario represents the most likely future state for Victoria given past trends and expected future changes, including policy interventions. Household projections follow the available state projections for Victoria through the Victoria in Future Projections 2023 (VIF23).

3.2   Core scenario results

The total number of households in Victoria is projected to reach approximately 4.2 million by the year 2051, an increase of 1.4 million from 2024. These projections are illustrated in Figure 2 and Table 1.

Figure 2: Core housing demand projections – Victoria
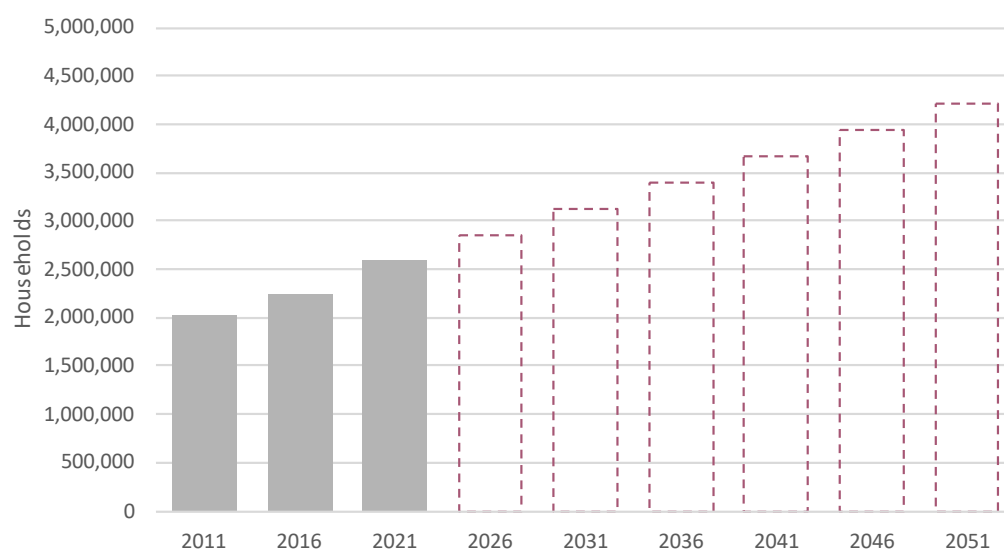
Source: SGS Economic and Planning 2025 using Victoria In Future 2023 and ABS Census 2011, 2016, 2021

Table 1: Core scenario housing demand projections – Victoria

Household Demand	2024	2026	2031	2051	Change 2024 - 51	Growth Rate (CAGR)
Core Scenario	2,752,000	2,858,000	3,118,000	4,213,000	1,461,000	1.8%

Source: SGS Economic and Planning 2025 using Victoria In Future 2023 and ABS Census 2011, 2016, 2021

3.3 Housing target scenario overview

As part of the Housing Statement, the Victorian Government announced it would develop a new Plan for Victoria. This new Plan for Victoria includes housing targets for every Victorian LGA, with the aim to increase the availability and affordability of homes by building an additional 2.24 million dwellings statewide by 2051. These targets have been adopted as the housing target scenario.

The supply of dwellings envisioned under the housing target scenario represents a higher rate of residential dwelling growth in Victoria than under the core scenario. Achieving this higher rate of dwelling supply will require greater demand (i.e., household growth) relative to the core scenario. However, a 'wedge' between the additional supply and demand will have the desired policy objective of increasing household choice and improving affordability (i.e., lower rents relative to income), via a higher vacancy rate in the housing market. That is, dwelling growth will exceed household growth[8].

3.4 Housing target scenario results

While the growth rate in the housing targets scenario is only 0.24% higher than the core scenario, this represents an additional 460,000 households that need to be accommodated over the next 27 years.

If the housing targets are successfully achieved, the total number of households in Victoria is expected to reach approximately 4.7 million by the year 2051. This represents a substantial growth of 1.9 million households from 2024, with an average annual growth rate of around 2%.

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[8] While the number of structured dwellings is given by the housing targets, the number of households (families) are needed to understand social housing demand discussed in later sections. To convert the housing (dwelling) targets into households, an occupancy rate has been applied to the target figures. Methodology for how these household projections have been created can be found in Appendix A of the report

Figure 3: Housing target projections – Victoria
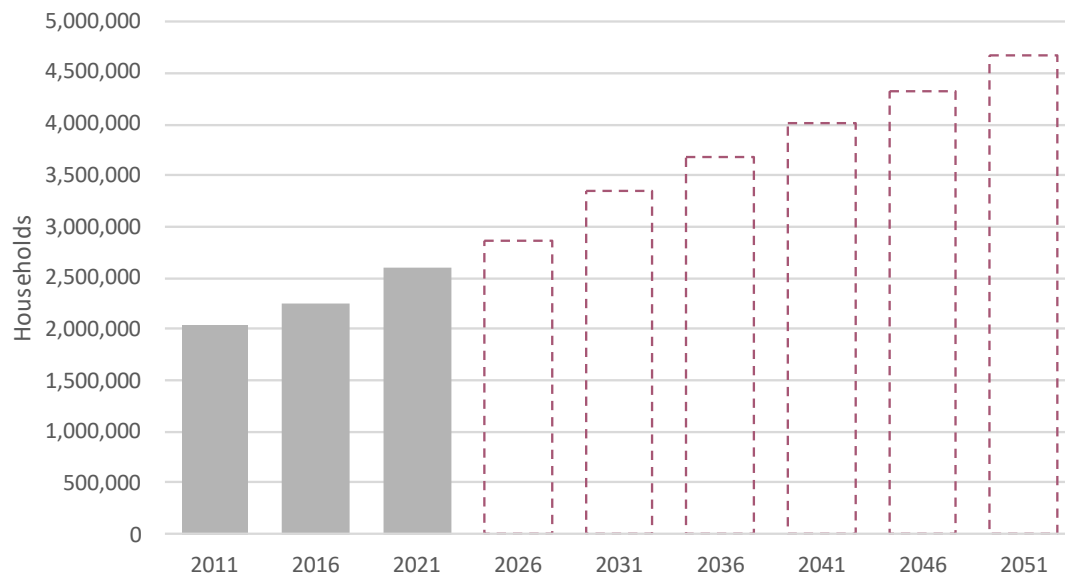
Table 2: Housing target projections – Victoria

Household Demand	2024	2026	2031	2051	Change 2024 - 2051	Growth Rate (CAGR)
Housing Target Scenario	2,752,000	2,861,000	3,341,000	4,673,000	1,921,000	2.0%
Difference to Core Scenario	0	+3,000	+223,000	+460,000	+460,000	0.24%

4. SGS Economics and Planning data insights and analysis: Policy Scenarios

Policy scenarios outline different social housing ambitions in terms of scale of provision.

The policy scenarios covered are:

- **Maintain Current Share** – Maintain the current proportion of social housing stock relative to the total housing demand.

- **Achieve National Average** – Meet and maintain the national average for social housing stock relative to total housing demand.

- **Meet Expressed Demand** – Meet expressed social housing demand. This includes households that are currently receiving social housing assistance and those on the social housing waitlist.

- **Meet Total Demand** – Meet the total demand for social housing, including expressed demand (those who have reached out to an agency for some form of housing assistance) and unexpressed demand (those who have not reached out to any agency for housing assistance).

The total demand for social housing includes households that are homeless, living in social housing, or in rental stress, while on low and very low incomes. Projections for total social housing demand have been modelled using the SGS housing assistance demand (HAD) model.

Meeting total demand requires the most social housing, 10.1% of dwelling stock[9] in 2024, while maintaining the current rate of provision only represents 3.1% of dwelling stock. This is presented in Figure 4 below.

Figure 4: Projected stock required by policy scenario – Victoria core household projections
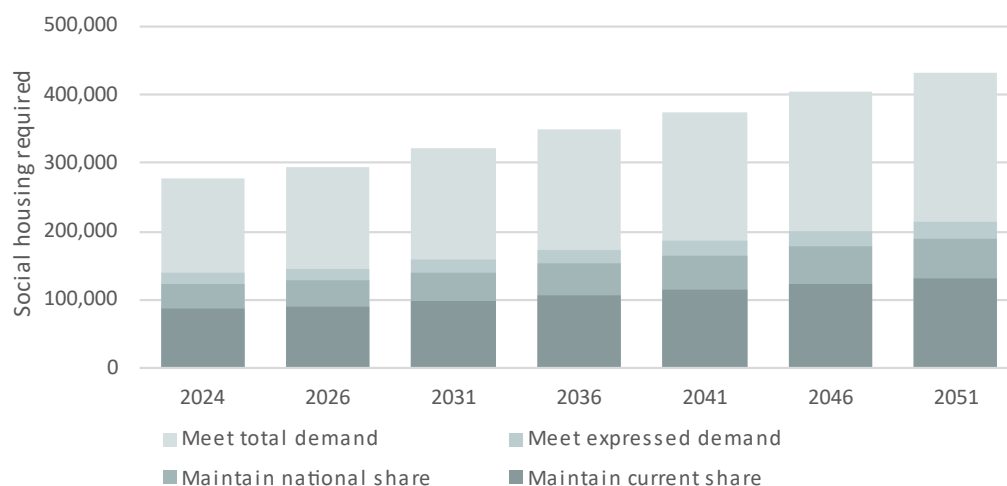
Source: SGS Economics and Planning 2025

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[9] Dwelling stock refers to *occupied* dwellings only, which is equivalent to total households.

4.1 Maintain current share

Currently, there are approximately 86,000 social housing dwellings in Victoria, which account for 3.1% of all dwellings. However, without any intervention, this percentage is projected to decrease by 2051. If social housing provision stagnates then, under the core scenario, social housing dwellings will form only 2.0% of dwelling stock. Under the housing targets scenario, this figure falls to 1.8%.

An additional 45,000 social housing dwellings will be needed under the core scenario to maintain a 3.1% share of the total dwelling stock. This means that the total number of social housing dwellings will need to increase from the current 86,000 to 131,000 by 2051. Under the housing targets scenario, which represents more rapid growth of Victoria's population, 60,000 additional social housing dwellings (or a total of 146,000) will be needed by 2051 to maintain the 3.1% share of dwelling stock.

Table 3: Stock required to maintain current share – Victoria

Maintain current share	2024	2026	2031	2051	New stock needed by 2051	Share of total households
Core Scenario	86,000	94,000	97,000	131,000	45,000	3.1%
Housing Targets Scenario	86,000	95,000	104,000	146,000	60,000	3.1%

Source: SGS Economics and Planning 2024

4.2 Achieve national average

In Victoria's infrastructure strategy 2021–2051, Infrastructure Victoria recommends that the government increases the state's social housing supply to meet the national average of 4.5% of total dwelling stock.

To achieve this, Victoria would have needed an additional 38,000 dwellings would be needed in 2024, compared to existing supply.

This increase is necessary to meet the immediate demand and to align social housing stock with the national average. To maintain this policy under the core housing projections, an additional 104,000 dwellings will be needed by 2051.

Under the housing targets scenario, a greater increase will be necessary. An additional 124,000 social housing dwellings will be needed by 2051. This scenario assumes that the Victorian housing targets are achieved, which would result in a higher overall demand for housing and, consequently, a higher demand for social housing.

Table 4: Stock required to achieve the national average share – Victoria

Maintain national share	2024	2026	2031	2051	New stock needed by 2051	Share of total households
Core Scenario	124,000	129,000	140,000	190,000	104,000	4.5%
Housing Targets Scenario	124,000	129,000	150,000	210,000	124,000	4.5%

Source: SGS Economics and Planning 2024

4.3 Meet expressed demand

Expressed demand for social housing includes households currently in social housing and those awaiting social housing assistance via the Victorian Housing Register. This means that the total number of households in need of social housing is not limited to those already accommodated but also includes those who have applied for and are waiting for assistance.

In addition to the 86,000 social housing dwellings currently available, there are around 56,000 applications on the Victorian Housing Register. This brings the total expressed demand for social housing to approximately 139,000 dwellings in 2024, representing 5.1% of dwelling stock.

To meet this expressed demand under the core housing projections, an additional 127,000 social housing dwellings will be needed by 2051. Under the housing targets scenario, the need is greater, with an additional 151,000 dwellings required by 2051.

Table 5: Stock required to meet expressed demand – Victoria

Meet expressed demand	2024	2026	2031	2051	New stock needed by 2051	Share of total households
Core Scenario	139,000	150,000	158,000	213,000	127,000	5.1%
Housing Targets Scenario	139,000	150,000	169,000	237,000	151,000	5.1%

Source: SGS Economics and Planning 2025

4.4 Meet total demand

The total demand for social housing includes both expressed demand (defined above) and unexpressed demand. Unexpressed demand includes those who are in rental stress, and eligible for social housing but are not on the waiting list/have not applied for it.

Figure 5 shows the proportion of households contributing to social housing demand under both the core and housing targets scenarios. For the housing target scenario, the additional dwellings will lead to better affordability and lower rent, reducing the proportion of households needing social housing assistance in the future.

Despite this, the total number of social housing dwellings needed under this scenario is still more than under the core scenario, as the scale of overall housing growth forecast in the housing target scenario is significantly higher than under the core scenario.

Figure 5: Proportion of households needing social housing – Victoria
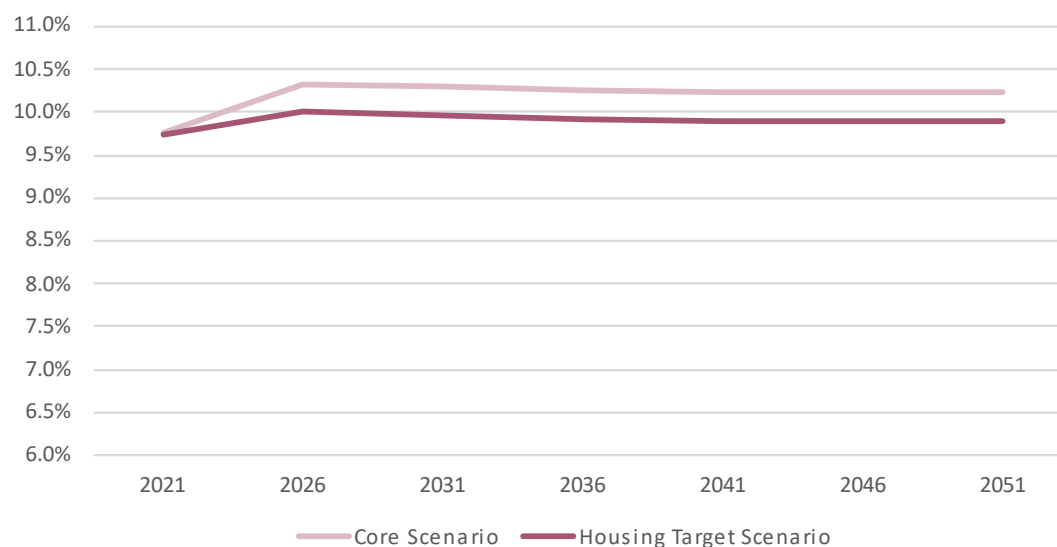
Source: SGS Economics and Planning 2025

Based on the proportions outlined in Figure 5, the total demand for social housing in 2024 is modelled to be 278,000 dwellings. This figure and the social housing stock required in the future to meet total demand can be seen in Table 6 below.

As we look towards the future, this demand is expected to increase significantly. By 2051, under the core scenario, the total demand for social housing is projected to rise to 432,000 dwellings. In the housing targets scenario, the demand is expected to reach 463,000 dwellings by 2051.

To meet these future demands, an additional 346,000 social housing dwellings will be needed under the core scenario. In the housing targets scenario, the requirement is higher, with an additional 377,000 dwellings needed to meet the projected demand.

Table 6: Stock required to meet total demand – Victoria

Meet Total Demand	2024	2026	2031	2051	New stock needed by 2051	Share of total households
Core Scenario	278,000	295,000	321,000	432,000	346,000	10.2%
Housing Targets Scenario	278,000	286,000	333,000	463,000	377,000	9.9%

Source: SGS Economics and Planning 2025

5. SGS Economics and Planning data insights and analysis: Distribution Scenarios

The distribution scenarios outline two ways in which social housing targets for each LGA can be created based on alternate policy objectives from a spatial perspective.

The first is to consider social housing as **essential infrastructure,** with equitable provision across Victoria. That is, the availability or provision of social housing in any Victorian LGA, as a proportion of total housing, will be equal.

The second is to take an **Optimal Policy** approach, which also considers spatial characteristics which reflect higher (or lower) suitability of areas to provide for the needs of social housing tenants. This scenario builds on the concept of social housing as essential infrastructure by moderating the proportion of social housing in LGAs based on how opportunities within the area will affect the outcomes of social housing tenants. These moderation characteristics include:

- Lower provision in areas with entrenched disadvantage

- High provision in areas with better access to essential services

- High provision in areas with better access to open space and community infrastructure

5.1 Essential infrastructure Distribution

Social housing should be considered essential infrastructure because it plays a crucial role in meeting the housing needs of the population, particularly those who are vulnerable or disadvantaged. Treating social housing as essential infrastructure will also ensure an appropriate amount of social housing exists to suit the population in each area.

Using this method, in 2051, social housing should make up an even proportion of 10.1% of all households in each Victorian LGA. This can be seen in Figure 6 over the page.

Figure 6: Social housing demand as proportion of LGA – essential infrastructure distibution

Legend
Share of total households
Essential Infrastructure
Scenario

- < 7.5%
- 7.5% - 8.0%
- 8.0% - 8.5%
- 8.5% - 10.0%
- 10.0% - 10.5%
- 10.5% - 11.0%
- 11.0% - 11.5%
- 11.5% - 12.0%
- 12.0% - 12.5%
- 12.5% +

Source: SGS Economics and Planning 2025

50 km
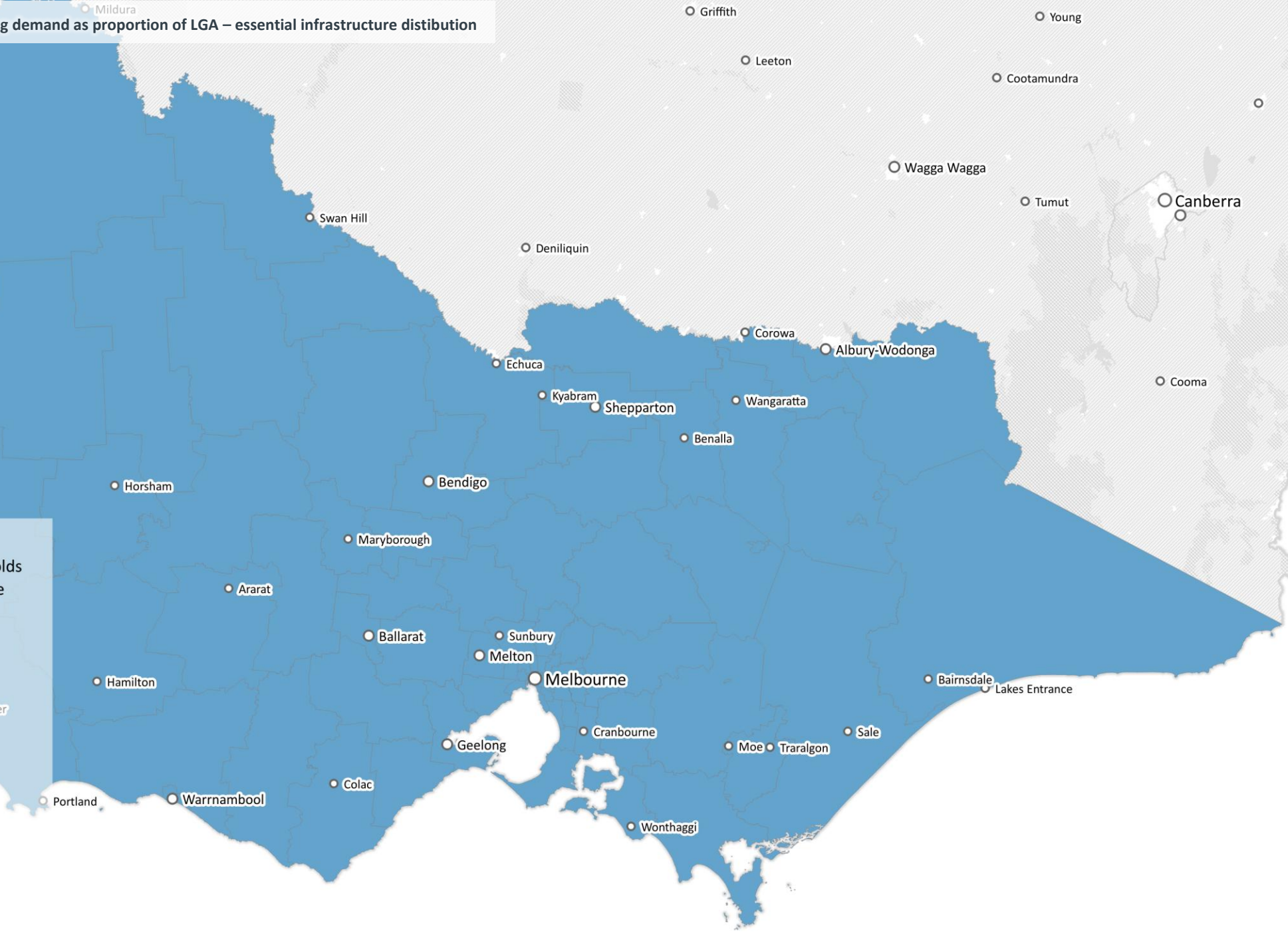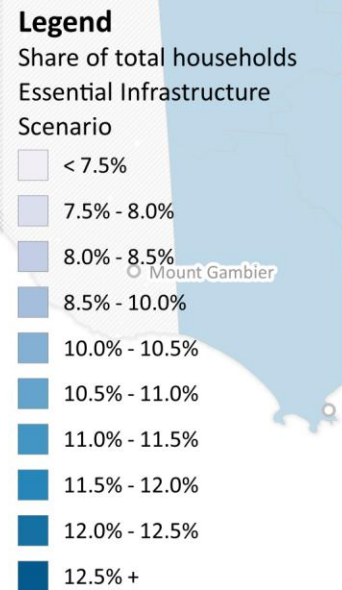
The total number of social housing dwellings required can be found by applying the flat 10.1% proportion to the expected number of households in each Local Government Area (LGA). This proportion ensures that the social housing needs of the population are adequately addressed across all regions.

Under the essential infrastructure distribution, as shown in Figure 7 and Figure 8, the areas with the highest total demand for social housing are those with the greatest population. Specifically, demand is highest in the City of Melbourne, and the growth areas. These areas are characterised by significant population growth and urban development, which drive the need for more social housing to accommodate the increasing number of households.

While the total social housing demand initially seems high in the growth areas, this is reflective of the size and population of these LGAs. The proportion of social housing remains consistent with the rest of Victoria, meaning that the demand is proportional to the overall population growth in these regions. This approach ensures that social housing is distributed equitably, providing necessary support to all areas experiencing population increases.

Figure 7: Total social housing demand by LGA – essential infrastructure distribution 2051
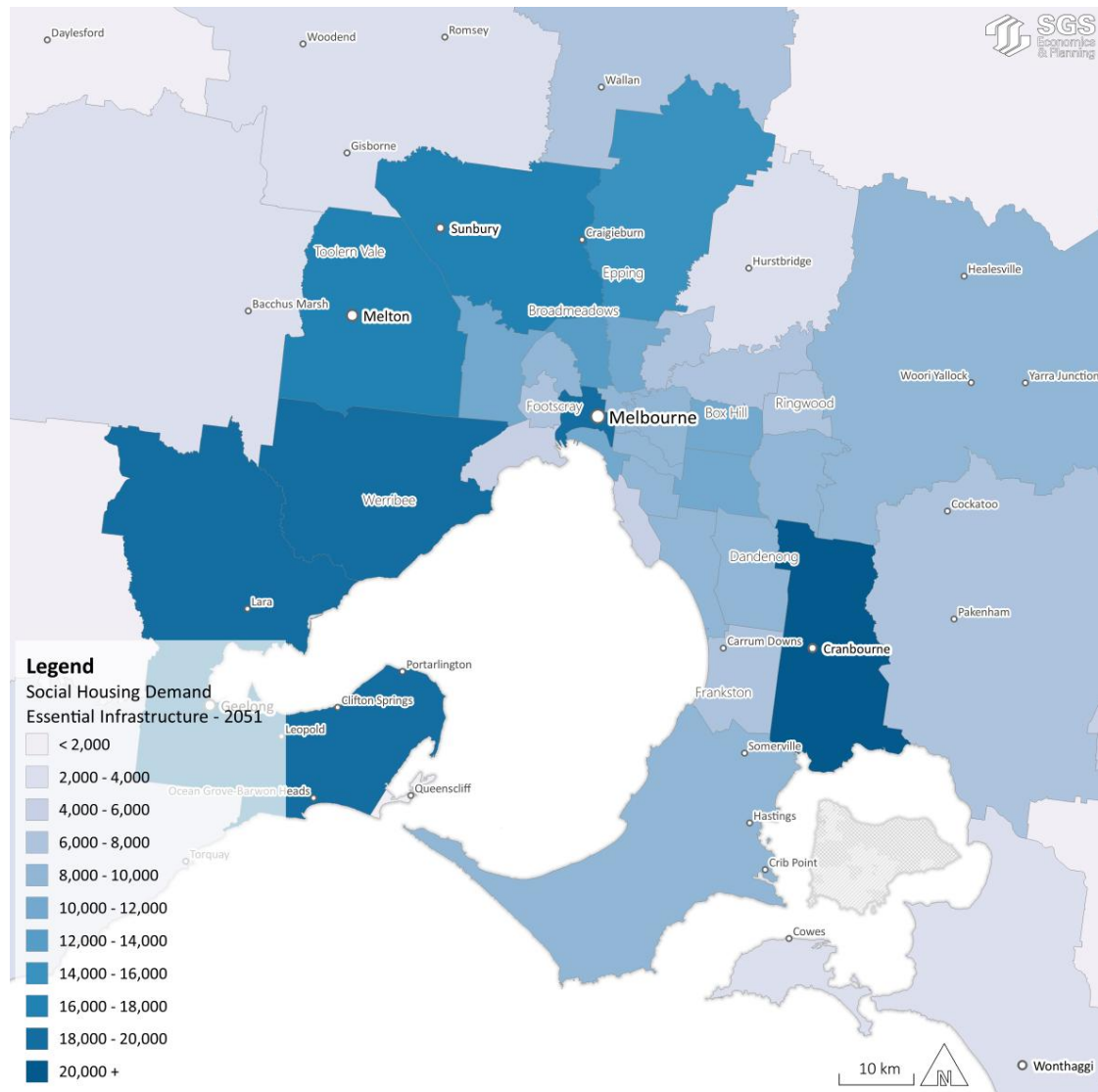
Source: SGS Economics and Planning 2025

Areas outside of Greater Melbourne will have lower social housing targets as the population is lower for those LGAs. There will be relatively higher demand for social housing around the major regional cities of Ballarat and Bendigo, and to a lesser extent Shepparton, Echuca, and Albury.

Figure 8: Total social housing demand by LGA – essential infrastructure distribution 2051

Legend
Social Housing Demand
Essential Infrastructure - 2051

- 0,000 - 2,000
- 2,000 - 4,000
- 4,000 - 6,000
- 6,000 - 8,000
- 8,000 - 10,000
- 10,000 - 12,000
- 12,000 - 14,000
- 14,000 - 16,000
- 16,000 - 18,000
- 18,000 - 20,000
- 20,000 - 22,000

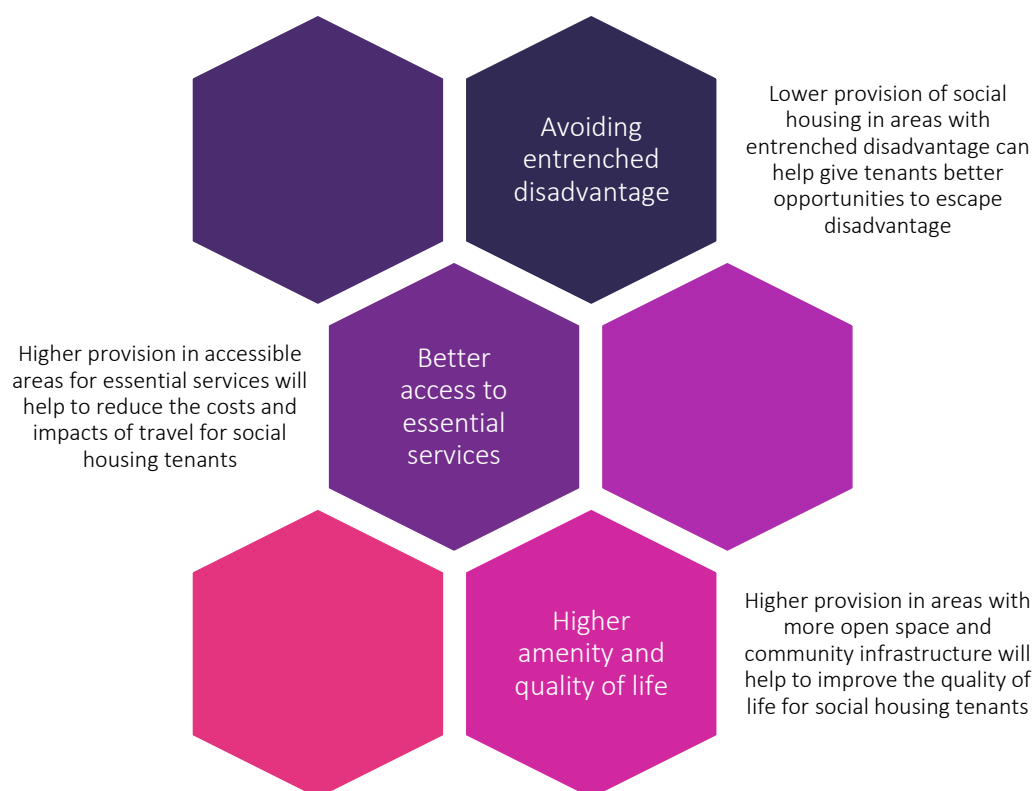Source: SGS Economics and Planning 2025

50 km
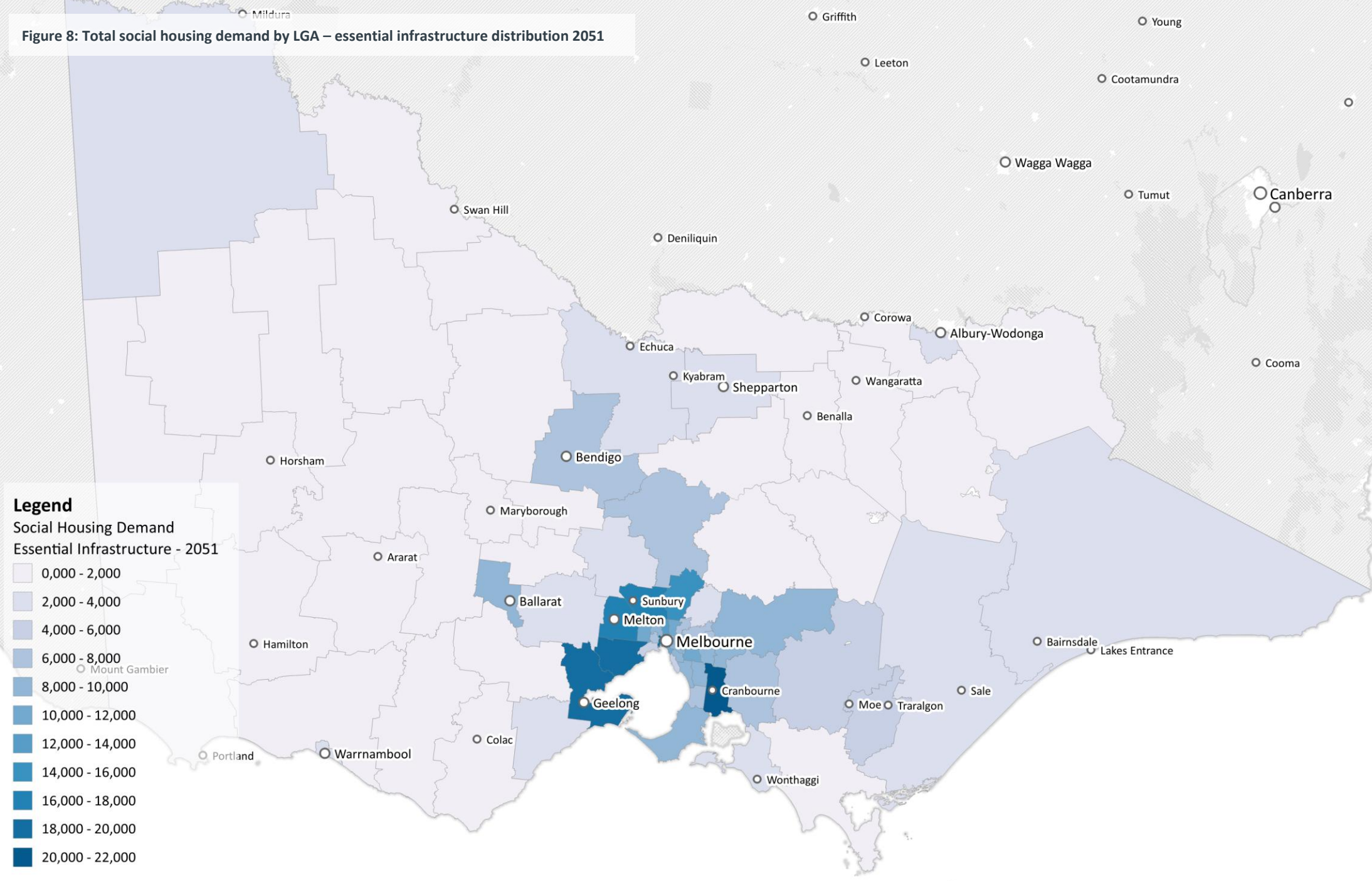
5.2   Optimal policy distribution

While the essential infrastructure distribution will allow for an appropriate amount of social housing in each LGA, it can create further socio-economic disparities between social housing tenants and the total population because the tenants of social housing are more sensitive to economic pressures and costs.

To alleviate this, the essential infrastructure distribution can be "optimised" by moderating the proportion of social housing in each LGA. The principles used to moderate social and affordable housing are summarised in Figure 9 below:

Figure 9: Optimal policy distribution principles

Avoiding entrenched disadvantage

Lower provision of social housing in areas with entrenched disadvantage can help give tenants better opportunities to escape disadvantage

Higher provision in accessible areas for essential services will help to reduce the costs and impacts of travel for social housing tenants

Better access to essential services

Higher amenity and quality of life

Higher provision in areas with more open space and community infrastructure will help to improve the quality of life for social housing tenants

Source: SGS Economics and Planning 2025

There are other factors that should be taken into account when considering specific sites for development of social housing at the sub-LGA level, which are not considered within this methodology, such as avoiding areas with high climate change/natural disaster risks.

As noted in the *Inquiry into Intergenerational Welfare Dependence Report* from the Parliament of Australia:

> *Disadvantage is embedded in particular communities, is persistent, and multi-causal from a range of factors. Within Victoria entrenched disadvantage is highly prevalent in identifiable regions and has been for significant periods of time*

Placing less social housing within these communities can help to mitigate the geographical aspects of entrenched disadvantage.

Another aspect is that tenants of social housing can be more susceptible to the costs of transport, both in terms of time costs and monetary costs, when compared to the total population. Placing more social housing in areas with better access to essential services and employment can help to reduce the burden of travel. These essential services include access to healthcare, social services, education, and retail (for groceries and other essentials).

Finally, placing social housing in areas with higher amenity, defined as access to open space and community infrastructure, helps to ensure residents' health and recreation needs are supported, and increases the accessibility of community services.

Using these factors to moderate the essential infrastructure distribution results in the optimal policy distribution in Figure 10 and Figure 11 below.

Figure 10: Share of households as social housing – Optimal Policy Distribution 2051
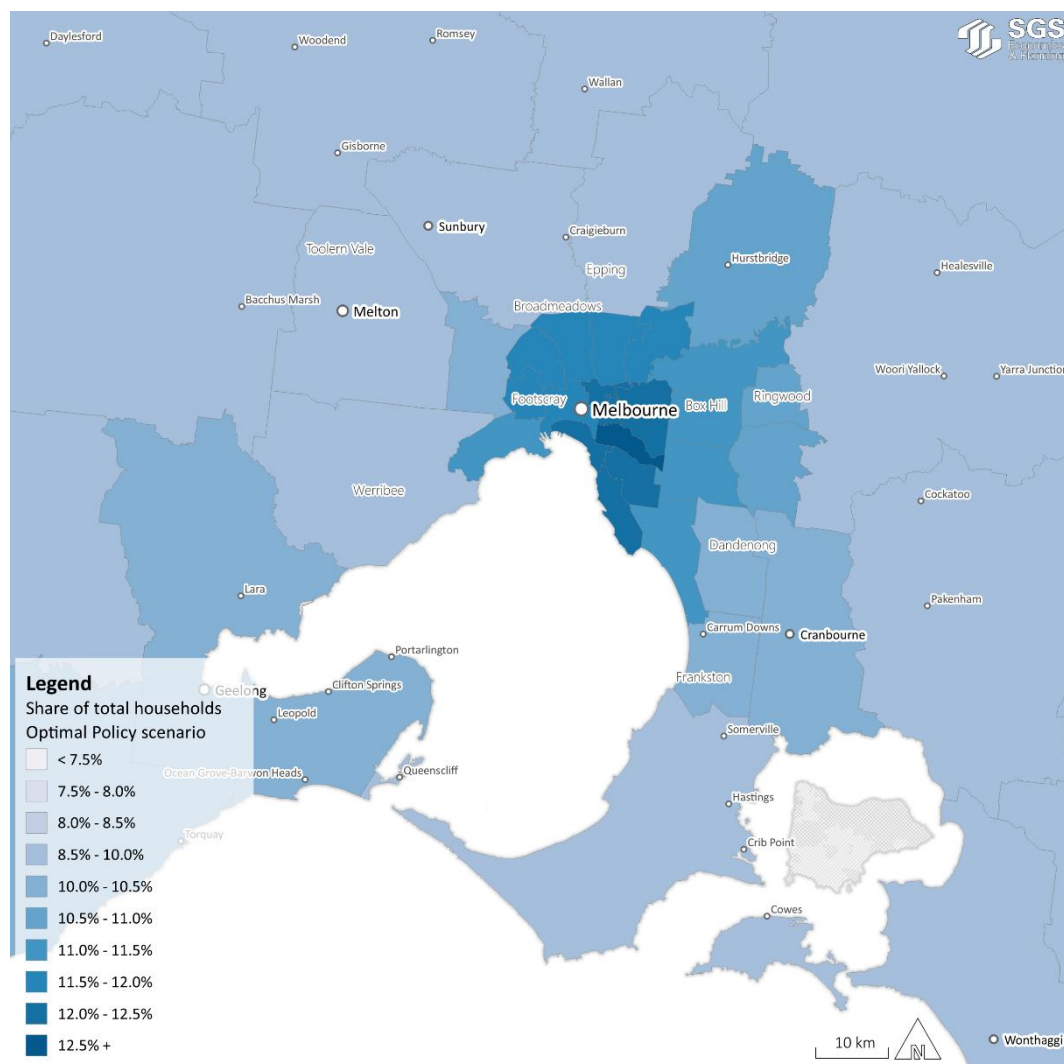
Source: SGS Economics and Planning 2025

Figure 11: Share of households as social housing – Optimal Policy distribution 2051

Legend
Share of total households
Optimal Policy
Scenario

- < 7.5%
- 7.5% - 8.0%
- 8.0% - 8.5%
- 8.5% - 10.0%
- 10.0% - 10.5%
- 10.5% - 11.0%
- 11.0% - 11.5%
- 11.5% - 12.0%
- 12.0% - 12.5%
- 12.5% +

Source: SGS Economics and Planning 2025

50 km
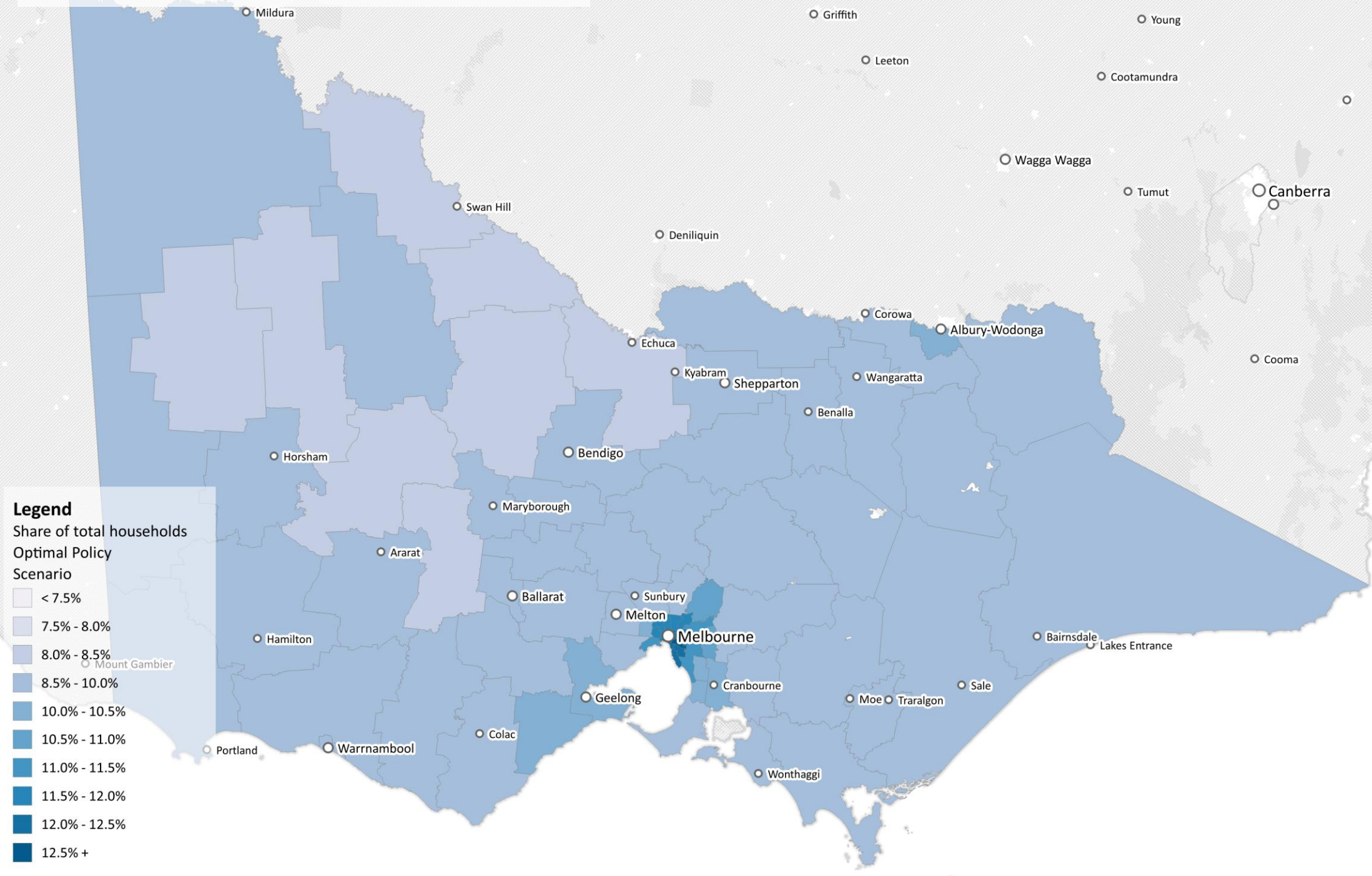
The high accessibility to the centre of Melbourne and the comparative advantage of the inner east makes LGAs such as Stonnington, Boroondara and Bayside more appropriate for social housing. Conversely, the lack of these attributes and higher comparative disadvantage makes areas such as Wyndam and other growth areas relatively less appropriate.

When the optimal policy distribution is applied to forecasted households the total social housing demand in each LGA is similar to the essential infrastructure distribution, but with higher amounts in the inner east of Melbourne, and less in the growth areas.

The regional LGAs have a generally similar proportion of social housing, due to the relatively lower amounts of services and accessibility, with social housing tenants in these areas relying on personal transportation and travelling longer distances to access healthcare or education.

Because social housing as a proportion of total dwellings in regional areas is fairly similar to the essential infrastructure scenario, there will be relatively more social housing required around the major regional cities when compared to the rest of regional Victoria. This includes the cities of Ballarat and Bendigo, and to a lesser extent Shepparton, Echuca, and Albury. Total social housing demand for LGAs under the Optimal Policy scenario can be seen in Figure 12 and Figure 13 below.

While there are increases or decreases between the scenarios, both the essential infrastructure and optimal policy scenarios reflect a number of social housing dwellings required that is significantly higher than what is currently available.

Figure 12: Total social housing demand by LGA – Optimal Policy distribution
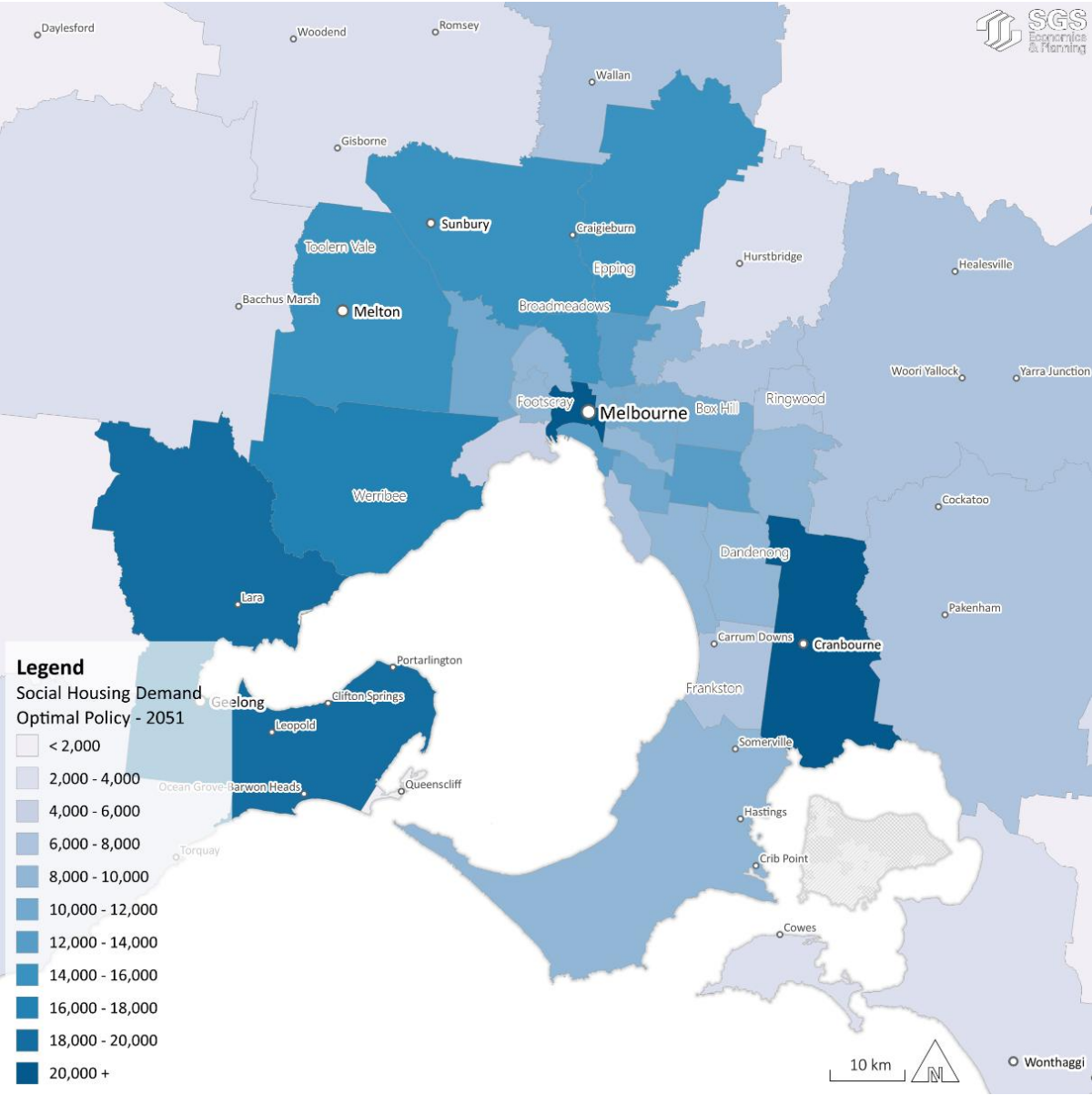
Source: SGS Economics and Planning 2025

Figure 13: Total social housing demand by LGA – Optimal Policy distribution 2051

Legend
Social Housing Demand
Optimal Policy - 2051
- 0,000 - 2,000
- 2,000 - 4,000
- 4,000 - 6,000
- 6,000 - 8,000
- 8,000 - 10,000
- 10,000 - 12,000
- 12,000 - 14,000
- 14,000 - 16,000
- 16,000 - 18,000
- 18,000 - 20,000
- 20,000 - 22,000

Source: SGS Economics and Planning 2025

50 km
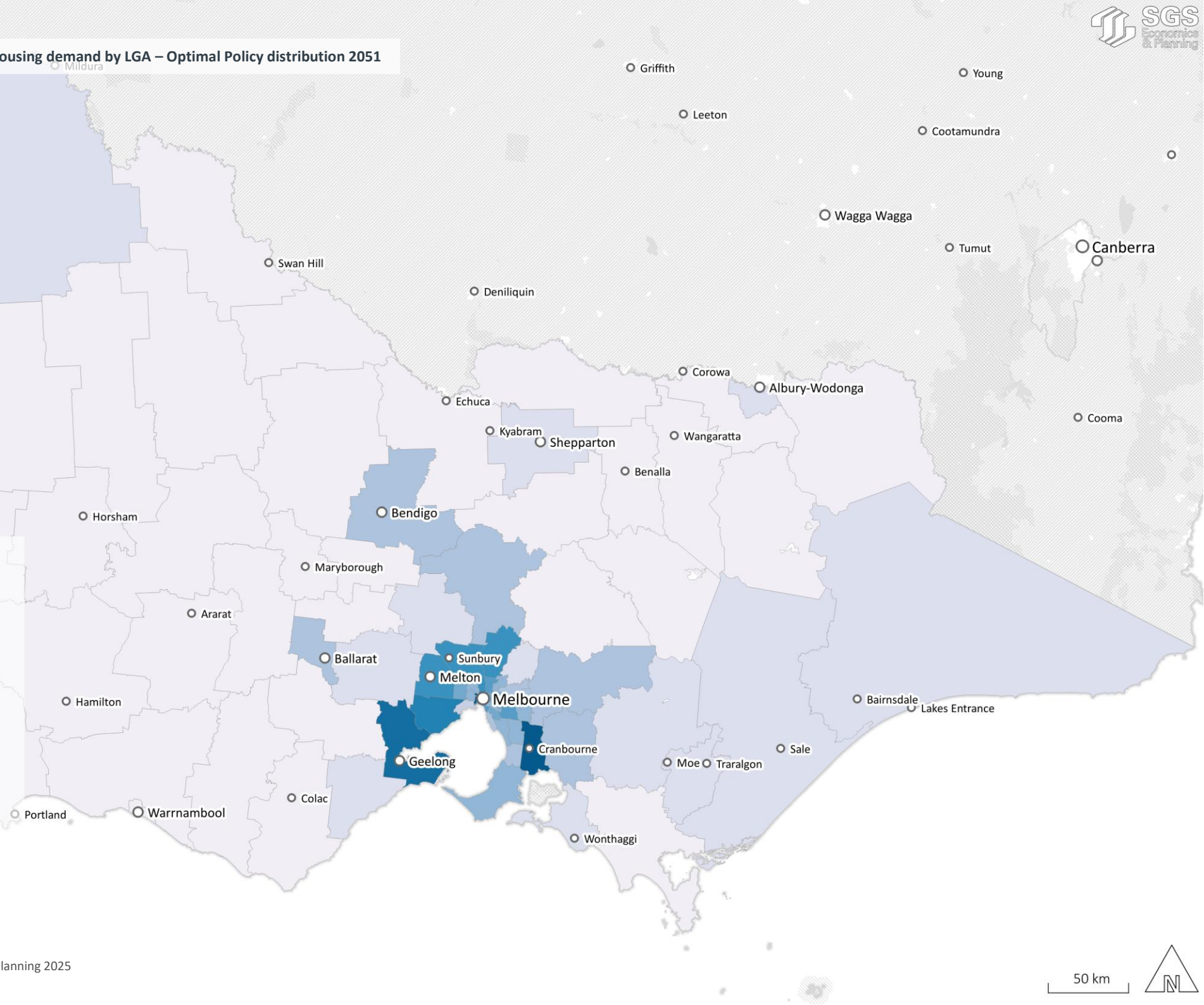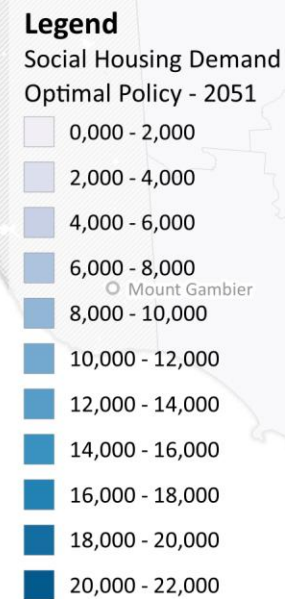
6. SGS Economics and Planning data insights and analysis: Family Violence Victim Survivors

Demand for family violence support within Victoria is increasing as more people come forward for support. Between 2023 and 2024, the number of family violence incidents in Victoria, as reported to police, increased by 6% from 93,000 to 99,000[10]. The rate of family violence per 100,000 people has also increased by around 4% over the same period.[11]Significantly, not all victim survivors of family violence will report to the police, due to fear, shame and other factors, and the rates of family violence are likely to be higher. Unfortunately, the rates of family violence and victim survivor need for social housing is not fully captured in any existing data source. For example, AIHW notes that 109,000 people assisted by Specialist Homelessness Services nationwide in 2023-2024 experienced family violence[12], however overlap between the AIHW and the Crime Statistics Agency data cannot be determined.

Lack of access to housing and income is a significant barrier for victim survivors of family violence to escape harmful environments and achieve independence.

6.1   Method and assumptions

Understanding the quantum and locational nature of social housing demand for family violence victim survivors can help to mitigate these barriers and enable them to achieve safer outcomes. This data analysis projects the minimum future social housing demand for family violence victim survivors in Victoria.

Existing data on met and unmet demand of housing assistance for family violence victim survivors gives an understanding of current demand. Met and unmet demand make up expressed demand. There will be a large amount of unexpressed demand for social housing due to family violence victim survivors that require assistance not disclosing that they need help, and **this is not captured in any data source.** This means that the figures shown in this section relate to a lower bound for demand, and the actual figure may be higher.

The figures discussed in this section will have overlaps with the general population as some (but not all) family violence victim survivors will also be residing in low-income households that are in rental stress, and some will also be currently residing in social housing. This overlap is not quantifiable and hence the

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[10] Crime Statistics Agency, 2023-24 Victorian Family Violence Database:
https://www.crimestatistics.vic.gov.au/media-centre/news/media-release-crime-statistics-agency-releases-2023-24-victorian-family-violence Accessed 5 May 2025
11 Data by Local Government Area, DFFH Region and Police Region, 1 July 2019 to 30 June 2024 (Crime Statistics Agency Victoria)
12 AIHW. Family, domestic and sexual violence, https://www.aihw.gov.au/family-domestic-and-sexual-violence/responses-and-outcomes/housing Accessed 5 May 2025

social housing targets for family violence victim survivors should not be aggregated or excluded from the figures in section 3.

Once the current expressed social housing demand for family violence victim survivors has been found, correlated projections can then be used as a basis to estimate future demand for the cohort.

Figure 14: Social housing estimation for family violence victim survivors method overview
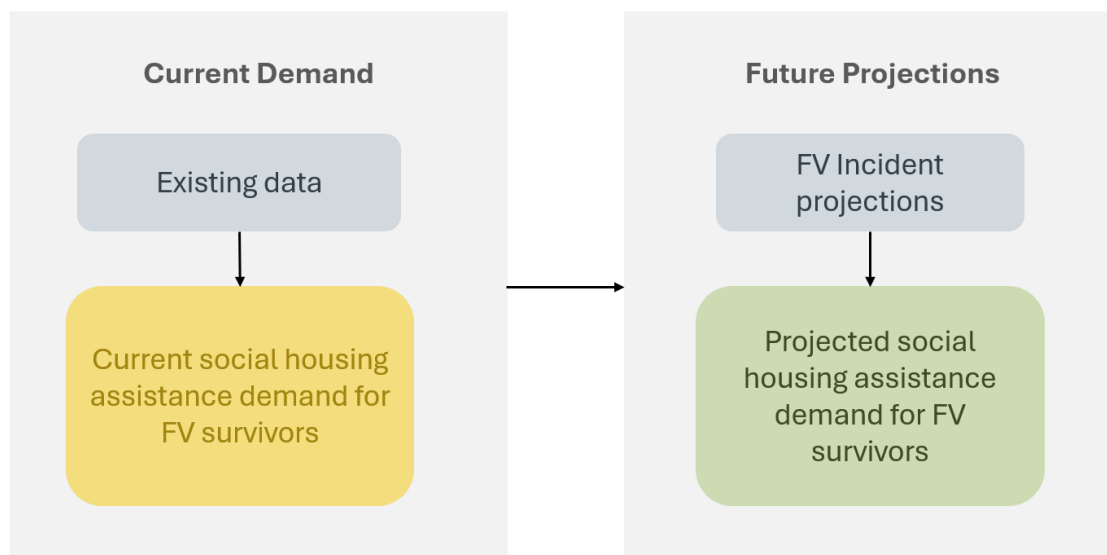
Source: SGS Economics and Planning 2025

Current social housing demand for family violence victim survivors include:

- Those receiving social housing assistance for the main reason of family violence[13]

- New applications on the housing waitlist, with the main reason for presentation being family violence[14]

- Existing social housing tenants who need relocation to a new dwelling for the reason of family violence[15]

Family violence incidents may then be used as a proxy to indicate the potential growth of expressed demand. This assumes that the need for social housing for family violence victim survivors will grow at the same rate as family violence incidents in Victoria. It should be understood that using these projections as a proxy relies on the correlation between family violence incidents being reported and the actual number of family violence victim survivors including those that do not disclose their need for support

To find this, a regression has been performed on the incident rate per 100,000 people to account for population growth. This method allows for a better estimation of future demand by considering the increase in population and the corresponding rise in family violence incidents. This regression and the

---

[13] Specialist homelessness services annual report 2023-24 (AIHW)
[14] Applications on the Victorian Housing Register Sep-24 (Homes Vic.)
[15] ibid

projected rate of incidents is displayed in Figure 15. The year-on-year increases in the rate of family violence incidents is historically inconsistent but expected to decline over time.

Figure 15: Historical and projected family violence incident rate per 100,00 people – Victoria

Source: Crime Statistics Agency 2024, SGS Economics and Planning 2025

This can then be combined with population projections to give us a population-controlled incident forecast as shown in Figure 16. The population projections used for the forecast relate to the core housing scenario. Based on this analysis, the average annual growth rate of social housing demand for family violence victim survivors is estimated to slow to around 2% in the future.

Figure 16: Historical and projected family violence incidents – Victoria
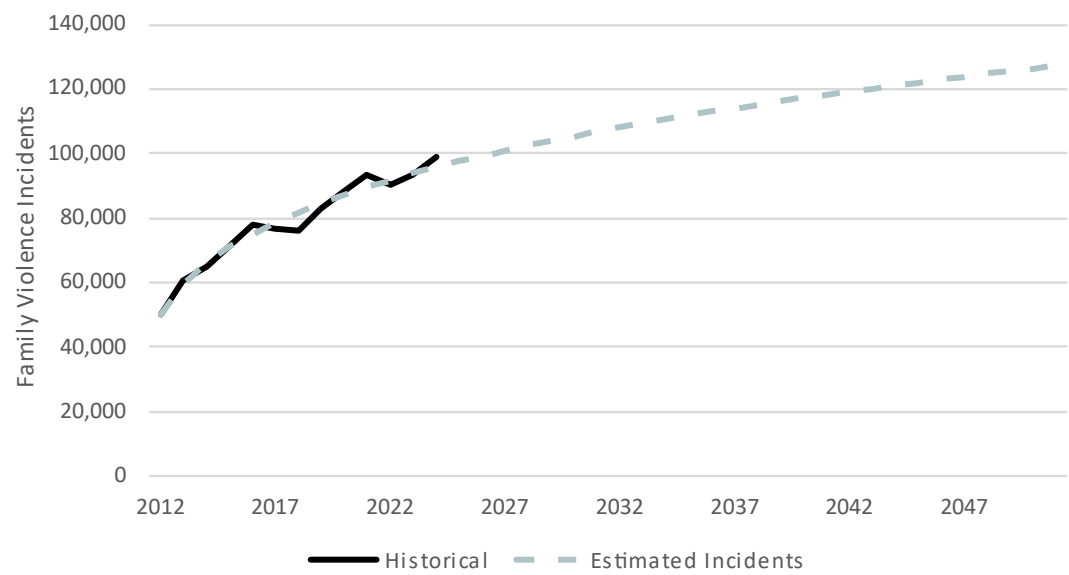
Source: Crime Statistics Agency 2024, SGS Economics and Planning 2025

All results created by this methodology represent a lower bound for demand. In reality, there would be more family violence victim survivors who could benefit from social housing assistance, but they are not captured within any available dataset. **As such, all figures will represent the *minimum* amount of social housing required to meet the demands of the cohort.**

6.2   Results

In 2024, the measured *minimum* social housing demand for family violence victim survivors totalled 48,000 dwellings and is broken down in Figure 21. This includes:

- 44,000 Specialist Homelessness Services (SHS) clients receiving assistance with the primary reason being family violence.

- 3,000 households awaiting assistance through the Victorian Housing Register.

- 1,300 households requesting a social housing transfer due to family violence.

This demand is expected to grow by 9,000 households by 2031 and 35,000 households by 2051.

It is worth noting that the 44,000 clients receiving assistance from SHS reflect a combination of households and individuals. This still, however, represents a population requiring social housing assistance and is much lower than the actual number of family violence victim survivors.

Figure 17: Current social housing demand for family violence victim survivors – Victoria 2024
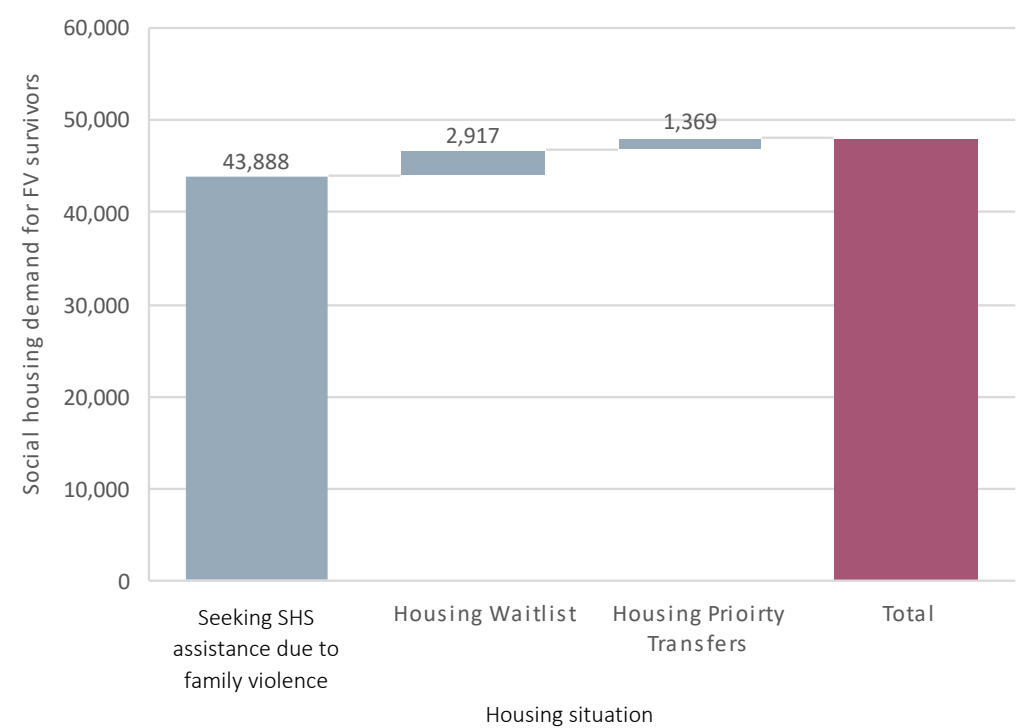
Source: SGS Economics and Planning 2025, based on AIHW Data Cubes 2022 & Victorian Housing Register 2024

Table 7: Future social housing demand for family violence victim survivors – Victoria
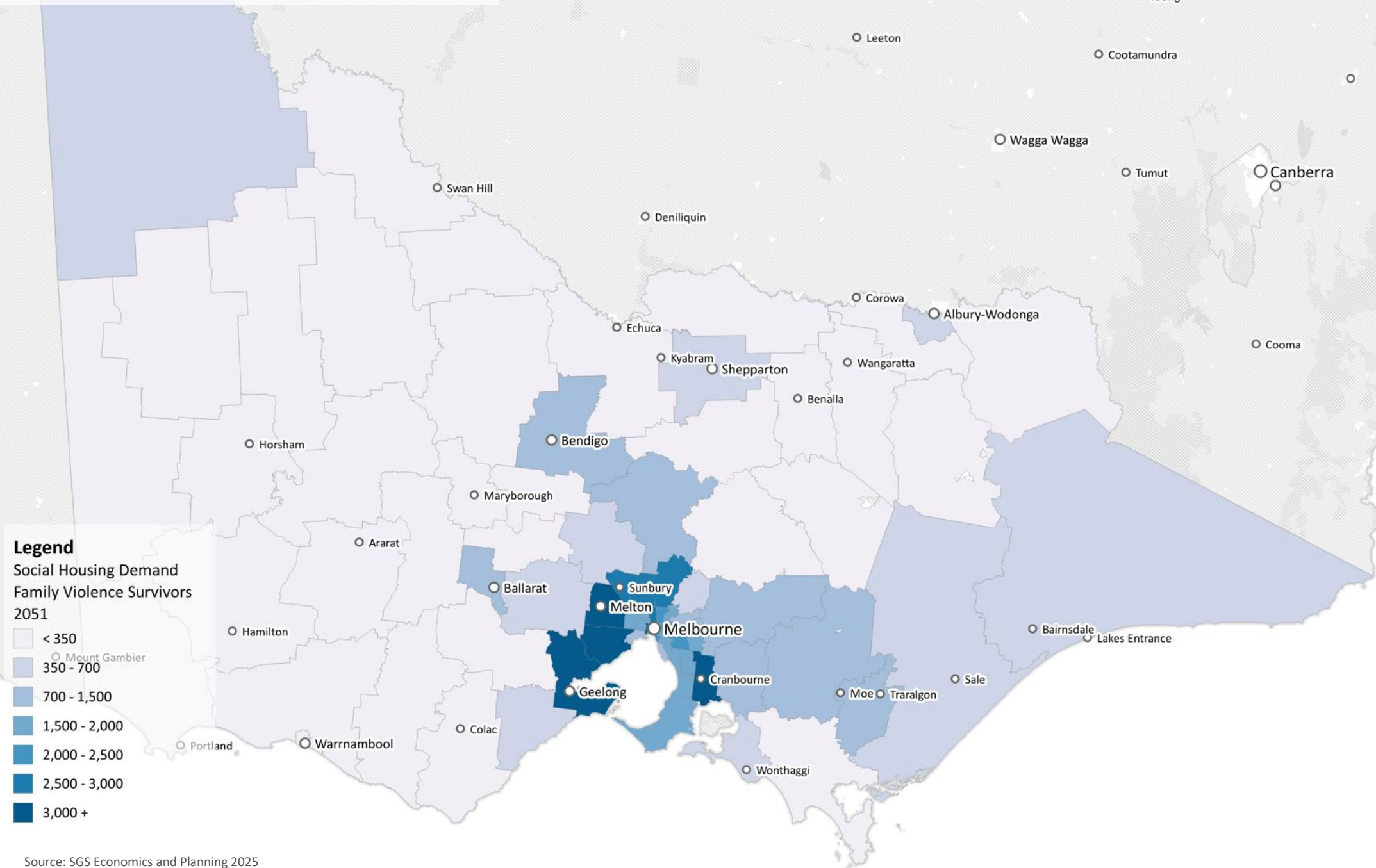
	2024	2026	2031	2051
Total social housing demand	48,000	51,000	57,000	83,000

It may be ideal to keep family violence victim survivors within their communities to avoid issues around employment or forcing children to move schools. This also keeps family violence victim survivors within their support networks including friends and family.

Social housing has been distributed to each LGA according to the Optimal Policy distribution discussed in Section 5.2. Placing more dwellings in these areas will increase the likelihood of victim survivors being able to access housing within their community as there will then be social housing dwellings in areas where people are likely to live. This can be seen in Figure 22 below.

This distribution of demand is close to the general population with more demand within the inner city and north of the city. The areas with the most social housing demand include the City of Casey, Greater Geelong, and Wyndham. There are also pockets of larger targets in the regional areas of Victoria in the same locations as the general population, mainly around the regional cities of Ballarat and Bendigo.

Figure 18: Social housing demand for family violence survivors – 2051

Legend

Social Housing Demand
Family Violence Survivors
2051

- < 350
- 350 – 700
- 700 – 1,500
- 1,500 – 2,000
- 2,000 – 2,500
- 2,500 – 3,000
- 3,000 +

Source: SGS Economics and Planning 2025

50 km

Appendix A: Housing Assistance Demand Model

The HAD model estimates the number of households experiencing **rental stress**, the number of people experiencing **homelessness**, and the number of households in **social housing**. It does not include mortgage stress. Demand for the base year is created using ABS Census 2021 and then forecasted into the future based on population growth, demographic changes, and income vs rent shifts.

The results are interpreted as the need for housing assistance, i.e. the demand for social and affordable housing (SAH). The analysis in this report reflects only social housing.

Figure 19: Housing assistance demand model overview
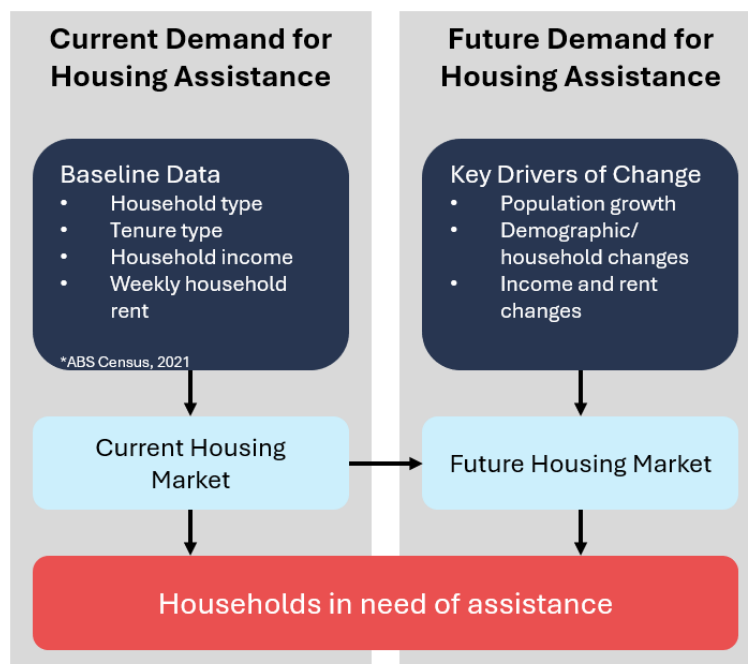
Source: SGS Economics and planning

SGS's HAD model estimates the number of **households** that are:

- Experiencing **rental stress** (**moderate or severe stress**),
- Experiencing **homelessness** (acute need of housing assistance), and
- Living in **social housing** (who would be in rental stress if they did not receive housing assistance).

These households are used as a base to **measure the level of need for housing assistance** with some adjustments for the likely movements of incomes and rents. Most households in housing stress would require housing assistance to access housing at an affordable rate. Only some households at moderate incomes that are in housing stress may require housing assistance, while lower income households are more likely to require housing assistance.

The HAD model estimates the number of households experiencing rental stress due to financial constraints only and only focuses on low-income households who cannot comfortably afford rents in the private market (paying more than 30 per cent of their income on rent).

> Rental stress is where a moderate (or lower) income household's rental payments are so high that they must compromise life's necessities such as such as food, health care, or education.
>
> **Moderate housing stress** is when a household must spend more than **30 per cent** of their income on rent.
>
> **Severe housing stress** is when a household must spend more than **50 per cent** of their income on rent.
>
> Social housing is appropriate for **very low and low -income households** in rental stress. It is not appropriate for moderate or high-income households because higher housing costs are unlikely to impact their ability to pay for necessities, and those on moderate incomes would be more suitable for affordable housing.

The model does not account for mortgage stress (households paying more than 30 per cent of their income on mortgages for properties in which they live). While high mortgages may impact on the funds households have available for discretionary as well as essential purchases, households in mortgage stress generally have more economic assets and have the options of selling their home and so are regarded as less in need of housing assistance.

For the purposes of this report, a person is homeless if they are living in non–conventional accommodation (such as living on the street), or short–term or emergency accommodation (such as living temporarily with friends and relatives)

The **future demand** for housing assistance is estimated based on a series of assumptions, most of which reflect current preferences and trends (i.e., not modelling or testing significant shifts in the future). These include the following key factors:

Growth in Victoria's population and changes in demographic composition. This leads to an increase in the number of Victorian households, with some households growing faster than others, some of which will require housing assistance.

Changes in the housing market and household income dynamics. Most importantly, this is the relationship between the rental prices and the incomes available to households (e.g. all else being equal, the demand for assistance will increase if rents grow at a faster rate than household incomes).

For 2021, the total demand for social housing was modelled using the HAD model based on data from the Australian Bureau of Statistics (ABS) Census. This data represents the intersection between household incomes and various forms of rental stress. Social housing demand is then projected into the future based on factors such as population growth, demographic shifts, and expected trends in rent and income.

Due to the economic climate and lockdowns caused by COVID-19, rents were relatively lower in 2020-2022 compared to incomes impacting the ABS Census. However, this trend has since reversed, with rents increasing at a faster rate than incomes. This increase in rent relative to income has been modelled using an analysis of recent bond and rent data. The proportion of households needing social housing has increased between 2021 and 2026 to reflect these impacts and is expected to stabilize in the future.

Appendix B: Housing Scenarios

Core Housing Projections

This represents the most likely future state for Victoria given past trends and expected future changes (including policy interventions). These statewide projections are taken directly from the Victoria In Future Projections (2023) created by the State Government of Victoria.

Housing Target Projections

This represents a policy aspiration scenario which assumes that the outcomes of the Victorian Housing Targets are achieved. To get the estimated households under these projections:

1. The housing targets within Plan for Victoria were used as total dwellings by LGA in 2031 and 2051.

2. An adjusted vacancy rate from the VIF projections was used to find the number of households living in the dwellings.

3. It is assumed that vacancy rates will increase linearly until 2051 to be 5% higher than the core scenario.

Appendix C: Distribution Scenarios

Essential Infrastructure Distribution

The essential infrastructure distribution considers housing as infrastructure that should be placed to accommodate the population across Victora. To create the distribution, the statewide demand for social housing as a proportion of total households is found first. As an example, let's say this is 10%. This means that 10% of households within each LGA will require social housing

This proportion is then multiplied against the total housing demand within each LGA to create targets for social housing.

Optimal Policy Factors

The data used to create the optimal policy distribution is as follows:

Moderation Factor	Data Source	Method for Ranking
Access to employment and services	Small Area Model Employment (SGS Economics and Planning, 2024)	Number of service jobs within 20minutes public transport of the SA2
Avoiding Entrenched Disadvantage	SEIFA IRSD (Census, counting dwellings, 2021)	State ranking of disadvantage
Amenity and Wellbeing	Parkland area (VicPlan Planning Zone Overlay, 2023)	% of SA2 that is recreational parkland combined with the future open space below
Amenity and Wellbeing	Regional, Credited and Uncredited Open space (VPA's future land use data 2024)	% of the SA2 that is future open space, combined with the recreational parkland above
Amenity and Wellbeing	Community and Sporting Infrastructure Index (Australian Urban Observatory, 2023)	Community and Leisure Sporting Infrastructure Index Ranking
Population	Number of Households by type (VIF 2023)	Forecasted population in 2036 and extended through the SGS Small Area Model.

Moderating Factor Combination Method

Once the individual distributions have been created, they can be used to find the moderated Social Housing Density using the following formula.

$$SH_M = 0.5 * SH_P + 0.14 * SH_A + 0.14 * SH_D + 0.06 * SH_{OS} + 0.06 * SH_{CI}$$

Where:

SH_M is the Moderated Social Housing Density.

SH_P is the Social Housing Density found using only Population.

SH_A is the Social Housing Density found using only Access to Essential Services.

SH_D is the Social Housing Density found using only Avoided Disadvantage.

SH_{OS} is the Social Housing Density found using only Open Space.

SH_{CI} is the Social Housing Density found using only the Community and Leisure Sporting Infrastructure index.

SH_{VHR} is the Social Housing Density found using only the housing register application housing preference