QON No. 2

Legislative Assembly for the Australian Capital Territory
Standing Committee on Social Policy

Inquiry into annual and financial reports 2024–2025

Answer to question on notice

Asked by: Ms Chiaka Barry MLA

Addressed to: Minister for Homes, Homelessness and New Suburbs

Redirected to:

Reference: Treasury

Hearing: 10/11/2025
In relation to: Affordable Community and Public Housing
Question received: 11/11/2025
Answer Due: 27/11/2025

1. How were the numbers of houses required determined in deciding the 2030 housing targets?

2. How many Affordable housing; Community housing; and Public rental properties are planned to be delivered in each financial year until 2030?

3. How many Affordable housing; Community housing; and Public rental properties did you deliver in 2024-25?

4. What is the average cost to the budget of providing a residence in each of these categories?

5. Is the cost of providing these residences reflected in the current Budget forecast up to 2030?

6. What feedback have you had from investors about the ACT’s Affordable Housing scheme incentives?

a. Do investors see these incentives as adequate, compared to similar schemes in other States?

b. What feedback have you been received from investors about the reasons they may be reluctant to invest in the ACT?

c. Could investor reluctance prove to be an impediment to meeting Affordable Rental scheme outcomes?

7. What feedback have you had from Community Housing providers about your plans to deliver Community Housing Targets?

a. What concerns have you heard from Community housing providers about your targets?

b. What reasons do Community Housing providers give for any reluctance to invest in the ACT?

c. We have heard proposals for use of tiny houses for Community Housing. What is the government's views of these proposals?

MS YVETTE BERRY MLA - The answer to the Member's question is as follows:

1. How were the numbers of houses required determined in deciding the 2030 housing targets?

The ACT Government's 2030 housing target is an ACT Labor 2024 election commitment to enable 30,000 new homes by the end of 2030, which exceeds the 21,000 homes identified under the National Housing Accord.

These targets were informed by population growth projections, housing demand analysis, and alignment with Commonwealth initiatives such as the Housing Australia Future Fund and Social Housing Accelerator.

2. How many Affordable housing; Community housing; and Public rental properties are planned to be delivered in each financial year until 2030?

The ACT Government is working towards achieving the 2024 election commitment to deliver 5,000 additional public, community and affordable rental dwellings by 2030, as part of the broader target of enabling 30,000 new homes. While detailed annual delivery figures are still being refined, the pipeline includes projects supported through the Affordable Housing Project Fund, dedicated land releases, and partnerships with Community Housing Providers and the Commonwealth.

Delivery is expected to ramp up in later years as major Build-to-Rent and community housing projects progress through planning and construction phases. For example, projects announced under the Affordable Housing Project Fund and recent land release programs will enable delivery of hundreds of dwellings from 2026 onwards. In 2025–26, the Housing Supply and Land Release Program is expected to enable delivery of approximately:

- 58 public housing dwellings
- 239 community housing dwellings
- 55 affordable housing dwellings

Figures provided are indicative and subject to change as the pipeline is still being developed and refined.

3. How many Affordable housing; Community housing; and Public rental properties did you deliver in 2024-25?

The following properties were delivered in 2024-25 with support from the ACT Government, noting that these are part of a broader pipeline as outlined above:

- Affordable / community housing:

- There was an increase of 85 properties participating in the Affordable Community Housing Land Tax Exemption Scheme, with total rental dwellings in the Scheme rising from 173 to 258 over the reporting period .
- Work also progressed on the pipeline of over 800 affordable / community properties supported through the ACT Government's Affordable Housing Project Fund, with 7 projects, that will deliver approximately 350 in coming years, supported in 2024-25, but no projects were completed in 2024-25.
- Community Housing Providers manage other changes to their portfolios independently of the ACT Government.

- Public housing – During 2024-25 there was a total increase of 142 properties in the public housing portfolio.

4. What is the average cost to the budget of providing a residence in each of these categories?

The average cost to the budget of providing a residence varies by category and depends on the delivery model.

For affordable / community housing, costs are influenced by the financing arrangements of community housing providers, which often combine ACT Government support through programs like the Affordable Housing Project Fund with other sources such as Housing Australia funding and private investment. This means the direct cost to the ACT Budget can be relatively modest compared to the total project value. The ACT Government typically provides assistance through land release, grants, and tax exemptions rather than covering the full construction cost. Community Housing Providers leverage these supports alongside Commonwealth programs and their own financing to deliver housing at scale.

The cost of public housing rental properties is higher than for affordable / community housing because the ACT Government funds construction or acquisition directly. These costs include land, building and associated infrastructure, and is managed through programs such as the Growing and Renewing Public Housing Program and the Social Housing Accelerator.

Because these delivery models differ significantly, there is no single average figure that applies across all categories or even holds consistently within a category.

The cost per dwelling depends on factors such as land value, construction type, and whether the property is delivered through direct government investment or partnership arrangements.

5. Is the cost of providing these residences reflected in the current Budget forecast up to 2030?

The current Budget reflects funding for a pipeline of more than 2,000 affordable and community housing dwellings through initiatives such as the Affordable Housing Project Fund, Public, Community and Affordable Housing targets set in the current and previous Housing Supply and Land Release programs, anticipated Affordable Community Housing Land Tax Exemption Scheme growth, as well as sector initiatives.

Additional projects and policies to support further growth will be considered in future budget processes, including options to leverage Housing Australia Future Fund Facility (HAFFF) and other Commonwealth Government funding support.

These allocations are included in forward estimates and support the ACT Government's commitment to deliver 5,000 additional public, community and affordable rental dwellings by the end of 2030.

Costs associated with public housing are not fully reflected in the current Budget forecast at this stage, as delivery models and funding arrangements are still being worked through. Future public housing investment will be considered in future budget processes.

6. What feedback have you had from investors about the ACT's Affordable Housing scheme incentives?

The ACT Government has received positive feedback from stakeholders, including community housing providers and institutional investors, about the Affordable Housing scheme incentives.

Community housing providers have been strongly supportive of the Government's approach and have advocated for growth in programs such as the Affordable Community Housing Land Tax Exemption Scheme and the Affordable Housing Project Fund. There has been good uptake of Affordable Housing Project Fund funding, and providers have highlighted its role in enabling new projects and partnerships.

a. Do investors see these incentives as adequate, compared to similar schemes in other States?

I am unable to speak on behalf of investors.

b. What feedback have you been received from investors about the reasons they may be reluctant to invest in the ACT?

Feedback indicates that ACT's incentives are competitive and well-regarded, particularly the combination of financial assistance through the Affordable Housing Project Fund and tax settings for Build-to-Rent projects. Investors have noted that these measures compare favourably with other jurisdictions.

c. Could investor reluctance prove to be an impediment to meeting Affordable Rental scheme outcomes?

The ACT Government is having a range of productive discussions with institutional investors and community housing providers to support delivery of affordable rental housing. Strong interest in Build-to-Rent projects and partnerships with community housing providers demonstrates confidence in the ACT's approach and its ability to meet Affordable Rental scheme outcomes.

7. What feedback have you had from Community Housing providers about your plans to deliver Community Housing Targets?

Community housing providers have expressed strong support for the ACT Government's approach to increasing the supply of affordable and community housing. They welcomed the commitment to deliver 5,000 additional public, community and affordable rental dwellings by 2030 and acknowledged that this aligns with their own objectives to expand affordable housing options and reduce housing stress.

Providers highlighted the importance of initiatives such as the Affordable Housing Project Fund, dedicated land releases, and the Affordable Community Housing Land Tax Exemption Scheme to achieve this. In a joint submission, CHC and YWCA Canberra described their “long-established commitment to growing the supply of affordable rental housing” and their readiness to partner with ACT Government on reforms that “will grow housing supply, support system diversion, and deliver enduring benefit to individuals, families, and the Territory as a whole.”

The ACT Government’s approach has also attracted interest from new interstate providers, including Tier 1 and Tier 2 organisations, which is seen as a positive step toward developing a more competitive and diverse sector.

a. What concerns have you heard from Community housing providers about your targets?

Providers are supportive but have raised concerns about practical constraints, including the need for a reliable pipeline of land, capacity challenges within the sector to scale up quickly, and administrative complexity in managing multiple eligibility frameworks across programs. They also noted that housing targets applied to land releases do not immediately translate into completed dwellings, as development timelines can extend several years beyond the initial release.

b. What reasons do Community Housing providers give for any reluctance to invest in the ACT?

The ACT is competing with other jurisdictions for community housing provider investment. The sector has a significant schedule to deliver by 2030 and many of the challenges faced here are common nationally.

The ACT is a relatively small market with one large established community housing provider, meaning other providers need to be highly competitive to secure projects. Factors influencing community housing provider investment decisions include:

- the availability and cost of land;
- the ACT’s small market size and concentration of providers;
- uncertainty around long-term policy settings and funding streams; and
- administrative complexity, particularly for interstate community housing providers managing multiple eligibility frameworks.

Many of these factors are shared with other jurisdictions, reflecting broader sector pressures rather than ACT-specific issues. For interstate community housing providers in particular, alignment of income eligibility thresholds across programs would reduce administrative burden and improve efficiency, making ACT projects more attractive.

c. We have heard proposals for use of tiny houses for Community Housing. What is the government's views of these proposals?

The ACT Government is open to considering innovative housing models, including tiny houses, as part of delivering its housing strategies. While not currently a core component of the program, tiny houses may have a role in addressing specific needs and will be assessed in the context of planning requirements, land availability, and long-term sustainability.

Approved for circulation to the Choose an item.

Signature: Date: 04/12/25

By the Minister for Homes, Homelessness and New Suburbs, YVETTE BERRY