



# ACT Shelter

Working together for housing justice

## PRELIMINARY ANALYSIS: ACT BUDGET 2025–26

### Introduction

The ACT Government framed housing as a core priority in the 2025–26 Budget. However, the funding commitments announced fall short of the rhetoric. Delivered in the context of deepening community concern around housing affordability, high rents, a shrinking proportion of social housing, and persistently high rates of homelessness, this Budget does not meet the moment.

ACT Shelter recognises this Budget was delivered in a challenging fiscal environment, including growing ACT Government debt and increased pressures on public finances. Nonetheless, we maintain that significant and sustained investment in housing is both urgent and essential. Safe, secure, and affordable housing underpins individual and community wellbeing, economic participation, and the effectiveness of a broad range of social supports. The social and economic costs of underinvestment – including increased pressure on health, justice, education, employment as well as community services – are substantial and compounding.

While there are a number of welcome measures in the Budget, including continued funding for some specialist homelessness services and support to maintain indexation, these are modest in scope. Overall, the Budget lacks the ambition and scale required to address the ACT's housing affordability crisis. Commitments to public and community housing remain well below what is needed, and homelessness services — though supported to maintain the status quo — continue to operate under significant strain.

This briefing provides an initial overview and analysis of the 2025–26 ACT Budget measures relevant to housing and homelessness. It is preliminary and provisional in nature, and ACT Shelter is continuing to assess the full details and implications of Budget announcements. We encourage ACT Shelter members and other community sector stakeholders to share feedback, highlight any areas we may have missed or misinterpreted, and provide additional insights into the likely impact of the measures announced, as well as the implications of critical services that failed to receive funding or areas of need that were overlooked by the Government.

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# Analysis of measures

## Social and affordable housing

ACT Shelter has long called for an increase in social housing in the ACT and a reversal of its decline as a share of total dwellings. With over 3,000 people on the public housing waitlist, we continue to argue that expanding social housing is the most effective way to provide secure, affordable homes at scale.

In the 2025–26 Budget, the ACT Government restated its commitment to delivering 30,000 new homes by 2030, including 5,000 social and affordable homes. This includes a target of at least 1,000 new public housing dwellings, aiming to grow the public housing stock to **13,200** by 2030 (*Budget Outlook*, pp. 206, 217; [Housing Budget Statement](#)).

However, with a total number of public housing dwellings of 10,952 dwellings as of June 2024<sup>1</sup>, achieving this goal in the ACT would require a net increase of **2,248** dwellings – an outcome not supported by the commitments set out in this year’s Budget.

To ensure transparency and accountability, we urge the Government to consistently report public housing numbers, using nationally recognised and publicly stated definitions. In some ACT Government reports and public statements, the figure of 11,731 public housing dwellings (as of 30 June 2024) has been used, however this includes *all* Housing ACT-owned properties, including those that are not public housing but are head-leased to community providers for various housing types and occupancy arrangements.<sup>2</sup>

Due to this inconsistency, ACT Shelter is interpreting the Budget figures with caution. We have reproduced the numbers provided in the Budget papers below, but are seeking clarification on the breakdown of public, community, and affordable housing based on accepted definitions.

### ***ACT Housing frontline support and Social Housing Accelerator Program***

**\$10.44m** (fully offset by expenses and capital provision) for 55 new social housing dwellings under the Commonwealth Government Social Housing Accelerator program. In addition, the ongoing delivery of ACT Housing frontline services, and the allocation of any additional operating revenues to five additional frontline staff, operational expenses and the *Growing and Renewing Public Housing Program*.

*(Budget Outlook p.132)*

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<sup>1</sup> Based on the [Productivity Commission’s Report on Government Services 2025](#), the latest [Housing Assistance in Australia data from AIHW](#) (released on the same day as the ACT Budget), and the [Response to a Question on Notice \(No. 123\) from the ACT Minister for Homes and New Suburbs in December 2024](#). The official number of **10,952** public housing dwellings – based on a nationally recognised definition – is at odds with an inflated figure sometimes used by the ACT Government in other statements and reporting.

<sup>2</sup> See, for example, [Public housing stock snapshot – June 2024](#)

	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	Total \$'000
Capital	7,551	0	0	0	7,551
Offset – Capital – Provision	-7,551	0	0	0	-7,551
<b>Net capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenses	2,890	0	0	0	2,890
Offset – Expenses	-2,890	0	0	0	-2,890
<b>Net cost of services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Housing Australia Future Fund Round 2**

**\$75m** in capital funding (over two years), offset by round 2 of the Housing Australia Future Fund facility, and through reallocating funding provisioned in the 2024-25 Budget initiative *More public housing – Housing Australia Future Fund Facility (HAFFF) Stage 2*. With offsets and revenue, this measure represents a **net saving of \$18.8m**.

Through this measure, the Government will construct 85 new public housing dwellings, to be leased to Community Housing Providers over a period of 25 years.

*(Budget Outlook p.132)*

	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	Total \$'000
Capital	27,500	47,500	0	0	75,000
Offset – Capital – Provision	1,000	-30,000	-42,000	-18,000	-89,000
<b>Net capital</b>	<b>28,500</b>	<b>17,500</b>	<b>-42,000</b>	<b>-18,000</b>	<b>-14,000</b>
Revenue	0	0	17,000	1,000	18,000
Offset – Revenue – Provision	-13,200	0	0	0	-13,200
<b>Net cost of services</b>	<b>13,200</b>	<b>0</b>	<b>-17,000</b>	<b>-1,000</b>	<b>-4,800</b>

### **Planning for more public housing**

**\$4.82m** in 2025-26 to Infrastructure Canberra, to develop a plan to deliver over 1,000 additional 'public housing' dwellings, contributing towards the Government's commitment to build 5,000 public, community and affordable homes by 2030, and expand the Housing ACT property portfolio to 13,200 homes by the end of 2030.

*(Budget Outlook p.134)*

### **Increasing the Affordable Housing Project Fund**

**\$24.43m** over four years for the Affordable Housing Project Fund, to help deliver the commitment of an additional 5000 social and affordable housing by the end of 2030. This additional funding increases the Affordable Housing Project Fund from \$80 million to \$100 million.

According to the Budget Papers, over 800 new affordable rental homes will be supported through the Affordable Housing Project Fund (*Housing Statement, p.6*). Community housing providers and build-to-rent operators can apply for the fund where proposed developments contain at least 15% affordable rental for at least 15 years.

It is hoped this measure will help increase the supply of affordable housing in the ACT. However, the funding gap to make projects viable remains substantial – for many community housing providers, the incentives and supports currently offered are still not enough to adequately compensate for reduced rental returns, particularly if the housing is to be affordable for low-income households.

*(Budget Outlook, p. 74).*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	5,889	6,204	6,194	6,145	<b>24,432</b>
Expenses – Health and Community Services Directorate	217	294	298	303	<b>1,112</b>
Offset – Expenses – Health and Community Services Directorate	-217	-294	-298	-303	<b>-1,112</b>
<b>Net cost of services</b>	<b>5,889</b>	<b>6,204</b>	<b>6,194</b>	<b>6,145</b>	<b>24,432</b>

### ***Supporting more Build-to-Rent***

This initiative provides **\$12.5m** in financial assistance to Build-to-Rent (BTR) developers, who build and manage multi-unit residential properties for long-term rental, rather than selling them. This financial assistance is in addition to various incentives, supports and tax exemptions that the ACT Government already provides to BTR investors, including land tax exemptions, lease variation charge remissions, and accelerated development assessment processes. To access financial assistance, at least 15% of a development must comprise affordable rental (no more than 74.9% market rent) for at least 15 years, after which rents can revert to market rates.

*(Budget Outlook p.75)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	10,125	0	0	2,375	<b>12,500</b>
Offset – Expenses	-10,125	0	0	0	<b>-10,125</b>
<b>Net cost of services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,375</b>	<b>2,375</b>

### ***Affordable Home Purchase Scheme support***

**\$307,000** in financial support (including waivers of government fees/charges) in 2025-26 to low-income homebuyers experiencing delays in the construction of their house and land packages purchased under the Affordable Home Purchase Scheme.

*(Budget Outlook p.73)*

### ***Affordable Community Housing Land Tax Exemption Scheme expansion***

**\$4.25m** over 4 years, to increase the property cap of the Affordable Community Housing Land Tax Exemption Scheme from 250 to 1,000 properties. The scheme helps make rentals more affordable for people on low incomes and gives property owners a full land tax exemption if they rent their properties to eligible tenants through a registered

community housing provider at less than 75 per cent of the market rent. Increasing the cap is designed to enable more property owners to utilise the scheme.

It is hoped this measure will help increase the supply of affordable rental housing in the ACT, and the relaxation of the cap is welcome. There is, however, limited publicly available information on the current uptake of the scheme, nor is it clear what assumptions have been used to calculate the net budgetary cost of the scheme over the forward estimates (i.e. the number of rental properties that the Government estimate will participate in the scheme over the forward estimates).

*(Budget Outlook p.73)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	50	100	150	200	500
Revenue forgone	123	503	1,031	2,113	3,770
<b>Net cost of services</b>	<b>173</b>	<b>603</b>	<b>1,181</b>	<b>2,313</b>	<b>4,270</b>

### ***Expanding the Tenant Participation Grant program***

**\$140,000** over two years (2025-26 to 2026-27), which doubles the annual funding for this grant program. This program provides a grant of up to \$400 to eligible social housing tenants paying subsidised income-based rent. It is designed to support the participation of public and community housing tenants in social, educational and work-related activities.

*(Budget Outlook p133)*

## Broader housing policy measures

### *Land release and planning reforms*

The ACT Government has committed to ‘enabling’ 30,000 new dwellings in the ACT by 2030. To support this, the 2025-26 Budget features a plan to release land and support 25,948 new dwellings across Canberra over the next five years.

According to the *Budget Housing Statement (p.5)*, 20 per cent of suitable residential land in the Housing Supply and Land Release Program in 2025-26 will be allocated for community, public and affordable housing. The Government has said that requirements placed on buyers will mean that this year’s program will lead to the delivery of:

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

The first year of this plan includes more housing in new suburbs such as Macnamara, Jacka and Molonglo, as well as urban sites in Belconnen, Coombs, Wright and the City.

While the [National Housing Supply and Affordability Council](#) has forecast that housing construction activity will remain weak in the immediate future – both nation-wide and in the ACT – this Budget is based on an optimistic economic outlook, with the ACT Government forecasting a significant uplift in building activity and “a robust housing construction pipeline” (*Budget Outlook p.19*). These optimistic forecasts will need to eventuate if the Government is to meet its ambitious target for total new dwellings.

Beyond land release, the ACT Government states that the balance of 30,000 new homes by 2030 will be supported through planning reforms, including missing middle housing, well-located housing near transport, and more housing around shopping centres.

To support the supply of new housing and community facilities, including more well-located housing around shopping centres and public transport corridors, the Government will provide **\$2.24m** (fully offset by funding provisioned in previous budgets) to undertake **planning and technical studies** in 2025-26 (*Budget Outlook p.90*).

In addition, the Government will provide **\$1.01m** over 2025-26 and 2026-27 to resource the **National Capital Design Review Panel** to meet demand and provide advice on projects, through additional design sessions and staffing resources (*Budget Outlook p.90*).

### *National competition reforms to planning and construction*

**\$4.2m** has been provided to implement National Competition Policy reforms (partially offset by Commonwealth funding). This will be used to deliver the Government’s construction productivity agenda through reforms to planning, zoning, building and construction processes. These reforms aim to encourage competition in sectors like housing and planning, reduce red tape, simplify regulations, and improve service delivery. A key focus of this work will be modern methods of construction, which could

incorporate modular housing. Work will also continue on building reforms and establishing a team of public building certifiers.

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	1,124	1,142	1,005	1,019	4,290
Offset – Revenue – Commonwealth contribution	0	0	NFP	NFP	NFP
<b>Net cost of services</b>	<b>1,124</b>	<b>1,142</b>	<b>NFP</b>	<b>NFP</b>	<b>NFP</b>

### **Supporting more local construction apprentices**

The slow pace of housing construction in the ACT has been attributed, in part, to a shortage of skilled tradespeople and construction workers. This year's Budget contains measures to support the expansion of the building and construction workforce, including **\$75.74m** over four years to lift course subsidies to 90 per cent for six critical construction related trades, including carpentry, plumbing, bricklaying and tiling.

*(Budget Outlook p.83)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	18,360	18,860	19,260	19,260	75,740
Offset – Expenses	-18,360	-18,860	-19,260	-19,260	-75,740
<b>Net cost of services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **ACT Apprentice and Trainee Concession**

**\$1.89m** over one year (2025-26) to continue cost-of-living support payments of \$250 to apprentices and trainees residing in the ACT in 2025-26. First-year apprentices and trainees will receive an additional \$250 (\$500 in total), to assist them with costs associated with buying tools and equipment at the beginning of their career. According to the Budget Papers, apprentices and trainees are amongst the lowest earners in the ACT and this payment will help meet some of the associated work costs.

*(Budget Outlook p.79)*

### **Try-a-Trade program expansion**

**\$1.24m** over four years to continue the Try-a-Trade program in five ACT public schools in 2025-26, and to expand the program to ten ACT public schools from 2026-27 onwards. The program encourages young women to consider careers in trades, by giving students early exposure to these workplaces.

*(Budget Outlook p.118)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	260	371	382	393	1,406
Offset – Expenses	-162	0	0	0	-162
<b>Net cost of services</b>	<b>98</b>	<b>371</b>	<b>382</b>	<b>393</b>	<b>1,244</b>

### **Expansion of conveyance duty concessions**

From 1 July 2025, a range of changes will reduce stamp duty for eligible homebuyers. This includes increases in the price threshold for the **Home Buyer Concession Scheme**, the **Pensioner Duty Concession Scheme** and the **Disability Duty Concession Scheme**, with the threshold set at \$1.02 million for 2025-26, and to be indexed annually to the Canberra Consumer Price Index.

The price thresholds for **off-the-plan and RZ1 unit duty exemptions** will also be increased to \$1.02m for 2025-26, with the aim of supporting the development of more dual occupancy properties on RZ1 blocks. Under Stage Three settings for the ACT Tax Reform program, the lowest marginal conveyance duty tax rate for homebuyers will reduce from 0.4 per cent to 0.28 per cent in 2025-26.

*(Budget Outlook p.79)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue forgone (net cost)	2,193	53	53	53	2,352

### **Residential property-related taxes and fees**

In 2025-26, **average general rates** in the ACT will increase by 3.75 per cent for residential properties (not including the additional Health Levy; *Budget Outlook, p.173*), along with the introduction of a **new land value threshold for non-units** with an Average Unimproved Value of over \$1 million (*Budget Outlook, p.88*). According to the Government, the 3.75 per cent increase – which is slightly above the Wage Price Index (WPI) – is designed to maintain revenue and offset the progressive reduction in conveyance duty under Stage 3 of the ACT's Tax Reform program.

In addition, the Government is introducing a **temporary Health Levy of \$250 per year** (for the next four years), collected along with other levies through rates bills (*Budget Outlook p.86*). The residential and rural **Police, Fire and Emergency Services Levy** (PFESL) will increase by \$30 (to \$426) in 2025-26 (*Budget Outlook, p.178*). The **Safer Families Levy** (SFL) will increase by \$10 in 2025-26, and by a further \$10 in 2026-27 (*Budget Outlook, p.179*).

## Homelessness and housing assistance services

### *Investing in frontline homelessness services*

**\$16.22m** over four years to extend funding for existing specialist homelessness service providers to maintain current capacity levels, and to extend the existing funding boost for specialist homelessness service providers (*Budget Outlook, p. 133*).

This funding will be allocated as follows:

- **\$11m** to maintain the funding boost for the homelessness sector (*Housing Statement, p.8*). This funding boost was originally delivered through the 2023-24 Budget and is due to cease on 30 June 2026. Its reinstatement will avert the indexation funding cliff that had been facing providers.
- **\$5m** over four years to support the continued operation of MacKillop House, the Early Morning Centre weekend service, Ainslie Lodge and Axial Housing.

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	1,207	4,968	5,004	5,044	<b>16,223</b>
<b>Net cost of services</b>	<b>1,207</b>	<b>4,968</b>	<b>5,004</b>	<b>5,044</b>	<b>16,223</b>

In addition to the measures announced above, there are some 'technical adjustments' – outlined further [below](#) – that appear to indicate funding allocated to homelessness services from previous budgets was not fully expended or has been reallocated over the forward estimates.

While several services have received confirmation that existing contracts will be renewed beyond 30 June 2025, at the time of writing ACT Shelter have been unable to clarify the funding situation for some other homelessness services, including services with contract funding due to expire in September 2025. ACT Shelter will continue to engage with services and the ACT Government to clarify the status of funding for these essential frontline supports.

### *Supporting homelessness emergency supports*

**\$3.4m** over four years to continue funding for hotel accommodation brokerage, and to trial a new approach to crisis accommodation using existing Housing ACT properties to provide short-term accommodation to those who cannot be supported through other crisis options.

(*Budget Outlook, p.133*)

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	880	920	899	699	<b>3,398</b>
<b>Net cost of services</b>	<b>880</b>	<b>920</b>	<b>899</b>	<b>699</b>	<b>3,398</b>

## ***Crisis and transitional accommodation program case management and wrap-around services***

As part of a larger funding envelope for a range of community organisations (totaling **\$2.68m** over four years, and under the ‘Cost of living – Supporting community organisations’ Budget measure), an *unspecified amount* of funding will be provided for “Crisis and Transitional Accommodation Program case management and wrap-around services for vulnerable women”. While the details are scant, a portion of this funding will be allocated for the “operational costs for seven properties, for women and children escaping domestic and family violence at risk of homelessness, with a priority for Aboriginal and Torres Strait Islander families”.

*(Budget Outlook, p.122; Housing Budget Statement p.8)*

## ***Legal assistance services***

New funding was announced over two years for the legal assistance sector, as shown below. This includes funding to the Women’s Legal Centre, Canberra Community Law, CARE and the Aboriginal Legal Service NSW/ACT. Additional funding will also be provided to Legal Aid ACT to build its capacity to engage with Aboriginal and Torres Strait Islander people as well as culturally and linguistically diverse clients. A breakdown of how these funds would be distributed, including to services specifically providing legal assistance for housing issues, was not provided in the Budget.

	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>Total</b>
	<b>\$’000</b>	<b>\$’000</b>	<b>\$’000</b>	<b>\$’000</b>	<b>\$’000</b>
Expenses	2,108	368	0	0	<b>2,476</b>
Offset – Expenses	-1,724	-497	0	0	<b>-2,221</b>
<b>Net cost of services</b>	<b>384</b>	<b>-129</b>	<b>0</b>	<b>0</b>	<b>255</b>

The breakdown in offsets is also not clearly specified in the Budget papers, making it difficult to determine the amount of funding that been reallocated from existing programs and services. However, the changes to appropriations reveal that the \$368,000 in expenses for 2026-27 is for Legal Aid ACT only (*Budget Statement D, p.72*). The changes to appropriations also indicate there has been a significant amount of funding provisioned for legal assistance services in previous ACT Budgets that has either been cut from existing programs, reallocated, or rolled over (*Budget Statement D, p.28-31*). This includes \$400,000 which has been slashed over the forward estimates for the ‘*Enhancing Access to Justice for non-English Speakers*’.

## Community sector

### *Community Sector Indexation*

The Government will apply Community Sector Indexation (CSI) to relevant Community Sector funding for not-for-profit community sector organisations that deliver services through multi-year funding agreements. CSI is calculated using a ratio of 80:20 of wage increases and Consumer Price Index respectively. Reflecting the recent Fair Work Commission Annual Wage Review determination to increase the Social, Community, Home Care and Disability Services (SCHADS) Award by 3.5 per cent, CSI will be 3.35 per cent in 2025-26. Note that this indexation does not factor in increases to the superannuation guarantee, nor inflation in other operational expenses.

*(Budget Outlook, p.133)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	4,861	4,622	4,620	4,510	<b>18,613</b>
Expenses – Justice and Community Safety Directorate	18	14	15	14	<b>61</b>
Offset – Expenses – Provision	-2,410	-2,670	-3,030	-3,030	<b>-11,140</b>
<b>Net cost of services</b>	<b>2,469</b>	<b>1,966</b>	<b>1,605</b>	<b>1,494</b>	<b>7,534</b>

### *Funding boost for community sector organisations*

The Government will provide **\$10m** over two years (2025-25 to 2026-27) to community sector organisations with multi-year funding agreements who are subject to Community Sector Indexation. This is designed to assist organisations to meet needs identified through the Sector Sustainability project while the Government continues to progress community sector policy and funding reform commitments.

*(Budget Outlook, p.123)*

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	5,000	5,000	0	0	<b>10,000</b>
<b>Net cost of services</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>

*Further information on additional community sector related measures can be found in the [ACTCOSS Budget Bulletin](#).*

*A '[Strengthening Community Services – Budget Factsheet](#)' has also been developed by the ACT Government, which summarises some of the key Budget measures relating to the community sector.*

## Housing sustainability and energy efficiency

### *Extending the Sustainable Household Scheme*

The government will extend the Sustainable Household Loan Scheme for a further three years, providing **\$75m** in low-interest loans for battery storage, zero emissions vehicles and chargers, ceiling insulation and energy efficient electric appliances. Previously, this scheme provided no-interest loans. From 1 July 2025, a 3% interest rate will apply to all new loans (excluding home energy support and owners' cooperation program loans).

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital – Outflows – Loans issued	24,000	30,000	21,000	0	<b>75,000</b>
Offset – Capital – Loan repayments	-1,105	-3,329	-5,766	-6,787	<b>-16,986</b>
<b>Net capital</b>	<b>22,895</b>	<b>26,671</b>	<b>15,234</b>	<b>-6,787</b>	<b>58,013</b>
Expenses – Cash	2,551	2,868	2,436	709	<b>8,564</b>
Expenses – Non-cash	3,072	2,325	386	-2,854	<b>2,929</b>
Offset – Revenue	-257	-944	-1,560	-1,730	<b>-4,491</b>
<b>Net cost of services</b>	<b>5,366</b>	<b>4,250</b>	<b>1,261</b>	<b>-3,875</b>	<b>7,002</b>

### *Electrification of Public Housing*

**\$18.95m** in capital costs and **\$2.15m** in expenses (offset by \$10m in capital provision) to support the electrification of public housing. Under this program, the Government will accelerate funding to upgrade gas appliances to appropriate electric alternatives in 1,600 public housing properties, including make-good requirements, associated ancillary electrical works and gas connection abolishment charges by 2028. This initiative is fully offset against existing provisioned funding over time, under the 2024-25 Budget initiative *Climate action – Improving the energy efficiency of Canberra's public housing*.

(Budget Outlook, p.97)

	2025-26	2026-27	2027-28	2028-29	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital	13,423	5,355	176	0	<b>18,954</b>
Capital – Housing ACT	0	333	338	0	<b>671</b>
Offset – Capital – Provision	0	0	0	-10,000	<b>-10,000</b>
<b>Net capital</b>	<b>13,423</b>	<b>5,688</b>	<b>514</b>	<b>-10,000</b>	<b>9,625</b>
Expenses	193	823	571	412	<b>1,999</b>
Expenses – Chief Minister, Treasury and Economic Development	0	152	0	0	<b>152</b>
<b>Net cost of services</b>	<b>193</b>	<b>975</b>	<b>571</b>	<b>412</b>	<b>2,151</b>

### *Improving Energy Efficiency for Canberra's Homes and Business*

**\$15.78m** over four years, offset by \$0.18m from existing resourcing and \$15.55m in revenue from the Energy Saving Contribution Fund. As part of this action, government will deliver free home energy assessments and practical support for eligible households and small businesses, support for apartment buildings to electrify, and culturally

appropriate energy supports for First Nations households. This budget line item will also fund a Commercial Building Electrification pilot program to transition commercial buildings off gas.

*(Budget Outlook p.98)*

	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Expenses	4,627	4,406	3,339	3,406	<b>15,778</b>
Offset – Expenses	-176	0	0	0	<b>-176</b>
Offset – Revenue	-3,600	-3,800	-4,000	-4,150	<b>-15,550</b>
<b>Net cost of services</b>	<b>851</b>	<b>606</b>	<b>-661</b>	<b>-744</b>	<b>52</b>

# Additional policy changes and funding reallocations

## *Reduction in client service visits to public housing*

Client Service Visits (CSVs) are routine inspections and check-ins conducted by Housing ACT to ensure properties are maintained and public housing tenants are supported. These visits are a key part of Housing ACT's role as a landlord, allowing staff to assess the condition of a property and address maintenance issues; check on a tenant's wellbeing and address any support needs; and ensure tenants are aware of their tenancy obligations and responsibilities. While they are an important means of ensuring safe and appropriate living conditions and the wellbeing of public housing tenants, some tenants have reported negative experiences with inspections.

The Budget Papers (*Statement C, p. 107*) estimate 11,000 client service visits were undertaken in 2024-25. The number of visits in 2025-26 is expected to *nearly halve* to 6,000. This dramatic reduction in visits is reportedly due to a new requirement for two staff to be in attendance at client service visits “to improve safety of staff in the field and reduce the risk of occupational violence incidents” (p. 107).

While the safety of Housing ACT should not be compromised, there is a risk that the dramatic reduction in visits may impact on the support provided to public housing tenants and the responsiveness of Housing ACT to maintenance issues. In this year's Budget, the ACT Government has revised downwards (albeit by a very small amount) their own targets for the percentage of public housing tenants who are satisfied with the provision of public housing and the occupancy rate for public housing (*Budget Statement C, p. 107*). It is not clear if other mechanisms will be implemented to improve the support provided to public housing tenants and the condition of public housing stock, including additional and accessible avenues to report maintenance issues and ensure safe and adequate living conditions.

## *Policy and technical adjustments*

*Technical adjustments* refer to changes made to budget estimates that do not represent new policy decisions but instead reflect administrative, timing, or accounting changes. These adjustments are a routine part of the budget process and can include corrections to earlier estimates, the realignment of funds to match the timing of expenditure, or the reallocation of existing resources within or across financial years. While they may appear minor or procedural, technical adjustments can have significant implications for program delivery and government accountability. They can potentially reveal delays, under-delivery, or shifts in priority that are not otherwise clearly communicated. In the housing and homelessness context, for example, technical adjustments can show whether announced investments in social housing are on track, delayed, or quietly reduced – providing insights into the real-world implementation of budget commitments.

ACT Shelter is still working through the implications of the adjustments in this year's budget. We have reproduced below some of the policy and technical adjustments relating to social housing services (the full list of changes can be found in the tables of *Budget Paper C*, pp. 107-110).

These adjustments suggest delays in implementing several funding commitments from previous Budgets, including \$300,000 for homelessness services (provisioned for but not spent in 2024-25), and nearly \$50m allocated for 2024-25 to the *Growth and Renewal of Public Housing Program*. Funding for several programs (including nearly \$2.5m to increase the number of public housing dwellings) was also rolled over from 2023-24 into 2024-25.

The changes to appropriations appear to show funding to some existing programs has ceased, however it is not clear which programs have lost funding.

It also appears that over \$19 million will be cut from internal operations and staffing within Housing ACT. In the absence of additional information, this apparent funding cut needs to be interpreted with caution, particularly as there may be a reallocation of some funding as responsibility for some programs is transferred to other agencies (including the transfer of responsibility for the delivery of public housing to Infrastructure Canberra from 1 July 2025). However, it is important any changes in funding do not exacerbate the long-term erosion of housing policy capability within government, and that in-house housing policy and program expertise is strengthened and maintained within the ACT Government.

#### **Changes to appropriations for Housing ACT (\$'000)**

	2024-25 Estimated Outcome	2025-26 Budget	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate
<b>2025-26 Budget Policy Adjustments</b>					
Whole of Government Expenditure Reform	0	-1,914	-3,820	-5,814	-7,602
Implementing recommended reforms to the Integrity Commission Act and Public Interest Disclosure Act	0	-6	-19	-19	-19
<b>2025-26 Budget Technical Adjustments</b>					
Ceasing Initiatives	0	0	0	-142	-146
Revised Funding Profile - More funding for Homelessness Services and Programs	-300	300	0	0	0
<b>FMA Section 16B Rollovers from 2023-24</b>					
Section 16B Rollovers - Reducing homelessness by delivering another Common Ground	250	0	0	0	0
Section 16B rollovers - Climate Action - Vulnerable Household Energy Support Scheme	1,912	0	0	0	0
Section 16B Rollovers - Increasing Housing Choice, Access, and Affordability – Increasing the number of public housing dwellings	2,419	0	0	0	0
<b>2025-26 Budget Technical Adjustments</b>					
Revised funding profile - Continuing the Growth and Renewal of Public Housing	-45,952	45,952	0	0	0
Revised Funding Profile - Continuing the Growth and Renewal of Public Housing	-3,844	3,844	0	0	0

The changes to appropriations in other portfolios (such as the Chief Minister, Treasury and Economic Development Directorate, *Budget Statement B*) also suggest funding

provisioned in the 2024-25 Budget for some programs and initiatives (such as the Sustainable Household Scheme, Progressing Build-to-Rent, and the Affordable Housing Project Fund) was not expended, was reallocated, or was significantly revised. Similarly, in relation to the Justice Housing Program, \$600,000 which had been allocated to 2024-25 from previous years' Budgets was not expended and has been rolled over into 2025-26 (*Budget Statement D, p. 30*).

# What's missing

## ***Rent relief fund***

This Budget failed to commit funding to the Rent Relief Fund beyond 30 June 2025. This program provides grants (of up to four week's rent, with a maximum of \$2,500) to help tenants experiencing rental stress or severe financial hardship.

ACT Shelter is deeply disappointed with this decision. The Rent Relief Fund has been a vital lifeline for renters, helping people to sustain their tenancies through periods of crisis, and amid exorbitant rents and cost-of-living pressures. At an annual cost of \$1.7 million, it represents a very modest but important investment. Most state governments provide financial relief programs for private renters experiencing financial hardship, and the ACT Government has operated similar such schemes in the past. ACT Shelter will continue to work with our community sector partners to advocate for the restoration of funding to this program.

## ***Justice housing***

This year's Budget provided no additional funding for the Justice Housing Program or other housing supports for people exiting the Alexander Maconochie Centre – despite the clear and urgent need for such programs. Without a safe and secure place to live, people exiting custody are at far greater risk of returning to the criminal justice system – fuelling cycles of incarceration, homelessness and compounding disadvantage. This is particularly concerning in the ACT, where rates of remand are the highest in the nation and many individuals are detained not because of convictions for serious offences, but because of a lack of housing and bail support. While the establishment of the Justice Housing Program to respond to these gaps is welcome, it is evident that the amount of housing available through the program falls far short of demand.

There is currently no funding allocated for the Justice Housing Program beyond 2025-26. While no additional funding was provided in this year's Budget, a portion of funding provisioned for the Program was not expended in 2024-25 and has been rolled over into 2025-26. This is not the first Budget in which previously allocated funding for the Program has been rolled over or reallocated.

## ***Public housing modifications, maintenance and repairs***

ACT Shelter is disappointed that the 2025–26 ACT Budget did not include additional funding for the maintenance, modification, and repair of public housing. While previous years' Budgets have allocated funding for repairs and maintenance, it was anticipated additional funding would be allocated in subsequent Budgets given the substantial backlog of essential maintenance and accessibility upgrades.

It also appears there may have been a reallocation of funding previously provisioned for public housing repairs and maintenance. Last year's Budget papers reported that, as part of the 'works-in-progress' under the ACT Government's capital works program, funding had been provisioned for public housing repairs and maintenance up to 2027-28, with nearly \$55m allocated for 2027-28 alone, as shown below:

**2024-25 ACT Budget: Excerpt from Table C.1: 2024-25 Capital Works Program – Works-in-progress (\$'000)**

	2024-25	2025-26	2026-27	2027-28	Total
– Continuing to maintain high quality public housing	26,421	44,723	38,386	39,243*	109,530
– Investing in public housing repairs and maintenance	11,929	14,975	14,880	54,872	96,656

\*Note this figure is from Table 43 in Budget Statement G, ACT Budget 2024-25, due to an apparent error in Table C.1

In addition to previously provisioned funding for works-in-progress, the 2024-25 Budget also announced an additional \$51.2m over four years in new works for public housing repairs and maintenance, with the bulk of new funding (\$15.6m) allocated for 2027-28. This brings the total amount of funding provisioned for public housing repairs and maintenance in 2027-28 to **\$70.5m**.

In this year's Budget, it appears the \$54.9m previously provisioned for 2027-28 has been reallocated. The repairs and maintenance program is due for completion in June 2028, so no funding is allocated beyond the 2027-28 financial year.

**Table 6: 2025-26 Housing ACT Infrastructure Program (\$'000)**

Project	2025-26	2026-27	2027-28	2028-29	Four Year Investment	Physical Completion Date
<b>CAPITAL WORKS PROGRAM</b>						
<b>Works In Progress</b>						
– Continuing to maintain high quality public housing	44,723	38,386	39,243	40,224	162,576	n/a
– Investing in Public Housing Repairs and Maintenance	14,975	14,880	15,629	0	45,484	Jun-28

After decades of underinvestment in public housing repairs and maintenance, many public housing tenants continue to live in homes that are in poor condition or not suited to their mobility and health needs. While ACT Shelter are seeking further clarification from Housing ACT on the apparent drop in funding for the repairs and maintenance program, we note that ongoing underinvestment in this area not only undermines tenant wellbeing but risks further deterioration of public assets and increased long-term costs to government.

### **Ongoing gaps in homelessness services**

While this Budget provides funding to specialist homelessness services, this is primarily a continuation of the status quo, and does not address increasing demand and complexity of need, nor ongoing service gaps.

There is a strong case for investing in a comprehensive service mapping and gap analysis of homelessness services in the ACT. Despite significant need, there are clear and persistent gaps in service coverage – including for young people, people with disabilities, Aboriginal and Torres Strait Islander people, and those with complex support needs. The current system remains heavily focused on crisis responses, suggesting the need for increased investment in early intervention, prevention, and long-term housing pathways. A robust mapping and analysis process would provide the evidence base needed to guide more effective and equitable service planning, resource allocation, and system reform. This should be a systematic process conducted in collaboration with key services, community organisations, and people with lived experience, to enable the sector and the ACT Government to better understand current system opportunities and constraints.

### ***Establishment of a Strata Commissioner***

This year's Budget did not include funding to establish a Strata Commissioner in the ACT. In the 2024 ACT election, the ACT Labor Party, along with other parties and independents, committed to establishing a Strata Commissioner. This was largely in response to growing political and community pressure for improved laws, regulations and mechanisms to address systemic issues in the strata sector – particularly as Canberra becomes more densely populated and with more apartment living. An ACT Legislative Assembly Inquiry examining management issues in strata properties is currently underway.

### ***Funding to ACT Shelter***

The 2025-26 Budget fails to restore additional funding to ACT Shelter, placing the future of the organisation at risk.

Historically, ACT Shelter's core funding from the ACT Government has been insufficient to sustain the operations of a viable peak body. In 2020–21, this was partially ameliorated through a three-year grant, which enabled ACT Shelter to fund a full-time CEO and meet basic operational and staffing costs. This grant concluded last year, and while ACT Shelter continues to receive a small amount of base funding, it is not sufficient to employ a full-time CEO and meet operational costs.

To maintain operations in 2024–25, ACT Shelter has operated at a significant deficit and drawn on limited organisational reserves. Without additional funding, these reserves will be exhausted in 2025–26, and operations will need to be scaled back—severely compromising ACT Shelter's capacity to function as the Territory's housing peak and provide an independent and informed voice on housing justice.

ACT Shelter stands ready to work with Government, community, and the housing sector to create a better housing future – one where every Canberran can access safe, secure, affordable housing. But that work requires a base level of support to continue.