Building Regional Victoria

Regional Election Platform, 2026

UDIA Victoria

Acknowledgement of Country

UDIA Victoria acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past, present and future.

UDIA Victoria

UDIA Victoria is the peak body representing Victoria's urban development industry. We are a not-for-profit advocacy, research and education organisation, with members across the land use and urban development sector, including private industry and the public sector.

We work collaboratively with industry, government and the community to support the delivery of housing, infrastructure and liveable communities across Victoria.

Our regional advocacy is informed by the practical experience of members delivering housing in regional cities and growth areas. Through our Geelong, Ballarat and Bendigo Committees, and our broader regional membership, UDIA Victoria brings together local market insight, technical expertise and on-the-ground delivery experience.

This platform reflects the issues consistently raised by industry across regional Victoria: planning assumptions that do not always match local markets, land supply that is too often counted before it is ready, infrastructure and servicing gaps, slow planning approval processes, workforce capacity constraints and growing pressure on project feasibility.

Our regional recommendations are consistent with the principles of our 2026 State Election Platform: Building Homes, Backing Industry.

Introduction

Regional Victoria has a central role in the State's housing future, but it cannot deliver that role under policy settings designed for metropolitan Melbourne.

The State's regional housing targets require a strategic approach that recognises how regional markets actually work. Housing delivery in regional settings depends on realistic growth planning, based on accurate, region-specific assessments of development-ready land, appropriate funding and delivery of critical enabling infrastructure, timely planning approvals, a capable workforce and a focus on supporting the delivery of housing typologies that fit regional market demand.

This platform sets out 10 reforms for the 2026 State Election, organised around three priorities: planning for regional growth properly, prioritising enabling infrastructure that unlocks new homes; and removing the roadblocks that are preventing projects moving from planning to delivery.

These reforms are grounded in the experience of the industry delivering housing across regional Victoria. They are practical, targeted and designed to help government, councils and industry work together to deliver the homes regional communities need.

Image: *UDIA Geelong Industry Lunch*

UDIA voices for the regional development industry

UDIA is the preeminent voice for Victoria's regional development industry. Our regional chapters in Ballarat, Bendigo and Geelong are comprised of more than 40 dedicated, industry-leading experts from a broad range of fields including development, planning, law, engineering and design, ensuring sector-wide representation at a pivotal time for the regions.

Our committees bring a wealth of collective experience to issues of policy, planning and regional development. They are committed to ensuring our regions remain the most liveable, attractive and best-performing cities in Australia, during a time of record growth.

Andrea Tomkinson, Chair of the UDIA Bendigo Committee

"Regional cities like Bendigo can make a much bigger contribution to housing supply, but that requires government to create targeted conditions for growth rather than simply assume delivery will happen on its own."

Tom Trevaskis, Chair of the UDIA Ballarat Committee and Immediate Past President, UDIA Victoria Board of Directors

"Housing supply in the regions cannot be turned on overnight. It depends on a pipeline of development-ready land, enabling infrastructure and a planning system that keeps future growth fronts moving."

Celia Konstas, Co-Chair of the UDIA Geelong Committee

"The regions can make a major contribution to Victoria's housing future, but only if government plans for growth honestly and invests early in the infrastructure and servicing that unlock new communities."

Ben Stewart, Co-Chair of the UDIA Geelong Committee

"Regional housing targets need to be backed by practical delivery settings. In Geelong, that means growth planning, infrastructure and approvals systems that reflect what is actually required to get homes built."

Adam Jaques, UDIA Victoria Regional Board Representative

"Regional housing depends on a system that is clear, timely and coordinated. When approvals drift across multiple agencies without accountability, delay becomes a direct barrier to housing delivery."

Three pillars to deliver regional housing

Our regional election platform is built on three pillars that set out what is required to deliver more homes across regional Victoria. They focus on planning for growth properly, funding the infrastructure that unlocks housing, and removing the system barriers that are preventing projects from moving to delivery.

Pillar one

Plan for regional growth properly

Pillar two

Prioritise the infrastructure that unlocks homes

Pillar three

Remove the roadblocks preventing new homes getting built

Recommendations

Our recommendations align with our three Pillars and are designed to support regional Victoria's housing supply and affordability objectives. They reflect the priorities of our three regional chapters in Ballarat, Bendigo and Geelong, with multidisciplinary expertise across the regional development sector. The majority of our regional committee members live and work across the regions and offer lived experience in the challenges and opportunities facing regional development.

1. Adopt a contextually appropriate approach for strategic planning of major regional cities
2. Exclude undevelopable land from future supply modelling
3. Maintain a rolling pipeline of zoned and serviced regional growth land
4. Ensure development contributions are fair, proportionate and deliver local outcomes
5. Create funded regional infrastructure pipelines that identify the transport, utility and community infrastructure needed to unlock new homes
6. Enable developer-led PSPs
7. Establish coordinated regional servicing plans that align utilities, transport and community infrastructure with where housing growth is occurring fastest
8. Address critical bottlenecks holding up regional housing
9. Make regional housing projects viable through better tax and funding settings
10. Build the regional workforce needed to deliver new homes

Pillar 1

Plan for regional growth properly

Regional Victoria needs growth settings based on what can be delivered. Current planning assumptions treat regional centres as if they will produce the same housing mix and development patterns as metropolitan Melbourne. They do not. A more appropriate approach starts with realistic targets, honest measurement of supply against long-term demand, and securing a clear pipeline of developable land supply.

Image: *Nightingale, Ballarat, Hygge Property*

Adopt a contextually appropriate approach for strategic planning of major regional cities

Housing targets only work if they reflect how homes can be delivered in regional markets. The State Government's housing targets include 128,600 net new dwellings in Greater Geelong, 46,900 in Ballarat, 37,000 in Greater Bendigo, 25,700 in Baw Baw, 19,250 in Bass Coast, 15,250 in Greater Shepparton, 15,200 in Wodonga and 13,000 in Latrobe by 2051.

Those targets must be tested against the realities of regional delivery. Regional cities and towns have different buyer preferences, price points, market rates, financing conditions and infrastructure constraints. They also have distinct built form, neighbourhood character and settlement patterns that should shape how growth is planned. A regional growth agenda cannot simply assume metropolitan-style infill outcomes or design responses will translate neatly into regional settings.

Regional Victoria should deliver more housing choice, including townhouses, low-rise apartments, smaller lots and well-located infill housing. But that shift must be grounded in market evidence and supported by regionally appropriate design expectations. It also takes time: Bendigo has pursued a compact city strategy since 2014, illustrating that markets do not change overnight just because a strategy says it should.

Where recent approvals and completions show a different housing profile, targets should be backed by a clear implementation plan, rather than assumed. The next government needs to introduce a practical delivery test for regional housing targets, using recent approvals, completions, dwelling mix, sales rates, buyer demand, project feasibility and regionally appropriate design considerations. This would give councils, industry and government a clearer view of what can realistically be delivered and what support is needed to close the gap.

Exclude undevelopable land from future supply modelling

Regional land supply figures can create a false sense of security when they count land that is identified on a map but not able to deliver housing. Land may be zoned but un-serviced, fragmented across multiple owners, constrained by infrastructure requirements, affected by overlays, commercially unviable or dependent on approvals that are still years away and without commitment.

This distinction matters because poor measurement leads to poor decisions. If government overstates real supply, future growth fronts are delayed, infrastructure planning falls behind and shortages are only recognised once they are already affecting affordability.

Victoria should adopt a consistent regional land supply reporting framework that clearly separates:

- land identified for future growth
- land within settlement boundaries
- zoned residential land
- serviced/serviceable land
- development-ready land
- lots likely to be delivered within five years

This would give government, councils and industry a shared evidence base for decisions about rezoning, servicing and infrastructure sequencing. It would also make land supply reporting more transparent for communities, by showing the difference between theoretical capacity and land that can actually provide housing.

UDIA has commissioned detailed developable land supply reports for major regional centres, including Ballarat, Bendigo and Geelong. The findings tell a very different story. For instance, the report found in Ballarat only between 11.1 and 12.7 years of supply actually exists, compared to Government's reported 15 years. You can read the full reports **here**.

Maintain a rolling pipeline of zoned and serviced regional growth land

Regional housing supply cannot be switched on at short notice. New growth fronts require years of strategic planning, technical studies, rezoning, infrastructure planning, servicing and market preparation before homes can be delivered.

That lag matters in regional Victoria, where growth can quickly concentrate in a small number of active fronts. When too few growth fronts are delivered at once, buyer choice narrows, competition weakens and pressure builds on the limited land that is ready to develop.

Government should maintain a rolling program of regional growth area planning, including future Precinct Structure Plans, rezonings and servicing strategies in major regional cities and high-growth towns. This should include multiple growth fronts progressing concurrently where demand justifies it, instead of relying on one or two areas to carry an entire city's future supply.

A stronger pipeline would give regional councils, infrastructure agencies and industry the lead time needed to plan properly. It would also reduce the risk of supply gaps emerging because planning work was deferred until after demand had already arrived.

Image: *Imagine Estate, Strathfieldsaye, Villawood*

Pillar 2

Prioritise planning, funding and delivery of infrastructure that unlocks new homes

Regional growth needs infrastructure systems that are planned, funded and sequenced with much greater discipline than they are today. Too often, infrastructure is treated as something that can be resolved after growth has already been earmarked, or its cost is pushed down onto local contribution schemes and new housing by default. In regional Victoria, where projects are often more exposed to timing risk, servicing gaps and thinner feasibility margins, that approach quickly becomes a brake on delivery. A more credible framework would be clear about what infrastructure is needed, who pays for it, and delivered in time with new housing.

Image: *Lyons Place, Ballarat, Hygge Property*

Ensure development contributions are fair, proportionate and locally linked

Development contributions are an important part of delivering local infrastructure for new communities. However, they should not become a default funding source for broader state, regional or network infrastructure that serves a much wider population.

When costs are loaded onto new housing beyond a fair and proportionate share, the result is higher prices, weaker feasibility and slower delivery. This is especially acute in regional markets, where projects often have smaller scale, slower sales rates and less capacity to absorb cost increases.

Government should review regional development contribution settings to ensure charges are:

- linked to infrastructure required for new growth development.
- proportionate to the development's actual share of infrastructure demand.
- transparent in how costs are calculated and apportioned.
- supported by clear timing and reimbursement arrangements.
- not used to substitute for essential local, state and federal infrastructure funding.

A fairer approach would keep local infrastructure contributions focused on local infrastructure. Where an asset has a broader regional or state function, it should be funded through broader revenue sources rather than loaded disproportionately onto new home buyers in a single precinct.

Create funded regional infrastructure pipelines that identify the transport, utility and community infrastructure needed to unlock new homes

Regional housing growth depends on infrastructure being planned before bottlenecks create delivery constraints and housing shortages. Too often, land use plans identify where homes should go without a clear public view of the transport connections, drainage, sewerage, water, power and community infrastructure needed to support them.

That uncertainty increases risk for councils, government and industry. It also makes it harder for communities to see whether growth is being matched with the services and infrastructure required to support it.

Government should publish a rolling infrastructure pipeline for major regional growth areas, setting out:

- infrastructure required to unlock housing
- authority responsible for its delivery
- expected timing
- funding source
- housing capacity enabled by each project

This would create a clearer link between housing targets, infrastructure investment and delivery accountability. It would also help government prioritise projects that unlock the most homes, rather than treating infrastructure as a separate process from housing supply.

Image: *Established and emerging community infrastructure, housing, local roads and open space within the Armstrong Creek and Mt Duneed growth corridor.*

Enable developer-led PSPs

Regional PSPs are taking too long to deliver. The current model places too much reliance on councils and public agencies that often do not have the capacity to carry the full workload.

That delay has real housing consequences. Regional growth fronts cannot deliver homes until structure planning is complete, and those processes can run for years before a single lot is unlocked. In some areas, PSP work has dragged on for too long. In others, the next growth fronts are still waiting to enter the system.

Victoria should work closely with proponents or landowner groups to prepare technical work and draft precinct plans within a state-set framework. Government would retain control over scope, consultation, agency input and final approval, while making better use of private sector capability to reduce pressure on councils and agencies.

The model should also support larger PSPs where growth fronts are contiguous. Broader regional PSPs would reduce duplication, avoid repeated technical studies and create a more efficient planning pathway for infrastructure and housing delivery.

Pillar 3

Remove the roadblocks preventing new homes getting built

Regional housing projects are too often held up by avoidable system roadblocks. In many cases, the issue is not whether land has been identified or whether demand exists, but whether approvals can move through the system in a timely, coordinated and commercially workable way. Regional projects operate in markets that are often smaller and more sensitive to delay than metropolitan Melbourne, which means slow planning pathways, fragmented referrals and poorly calibrated charges have an outsized effect on whether homes are delivered at all. The task in regional Victoria is not simply to make the system more permissive. It is to make it more workable.

Image: *Lucas Rise, Integra*

Establish coordinated regional servicing plans that align utilities, transport and community infrastructure with where housing growth is occurring fastest

Regional housing delivery depends on coordination across multiple systems. Transport connections, drainage, sewerage, water, power and community infrastructure are often planned by different agencies, on different timelines, using different assumptions about when growth will occur.

This creates avoidable delay. A site may be strategically supported for housing but still unable to proceed because a servicing authority has not planned an upgrade, a road project is out of sequence, or an infrastructure dependency is unresolved.

Government should establish coordinated servicing plans for major regional growth areas, bringing councils, departments, utilities, transport agencies and industry into a single sequencing process. These plans should identify the practical dependencies that determine when housing can proceed, not just the long-term infrastructure needed in theory.

The goal is a more disciplined delivery system where agencies plan around the same growth fronts, the same timing assumptions and the same housing outcomes.

Address critical bottlenecks holding up regional housing

Regional housing projects are too often delayed by fragmented approvals across multiple agencies, each with its own timeframes, priorities and thresholds for action. In regional settings, the issues and key stakeholders involved vary from place to place (water, cultural heritage, environment management, bushfire protection, council and servicing requirements), compounding delay and transaction costs.

This is particularly challenging because many delays are avoidable. Projects can enter the planning system with clear strategic support and still lose months, or years, waiting on referrals, cultural heritage management processes, servicing approvals or other regulatory steps that lack coordination. In regional areas, where projects are smaller or more exposed to delay, that uncertainty can undermine delivery altogether.

Too often referral entities operate without clear accountability for timing, coordination or deliverability. When no agency is responsible for keeping the process moving, delay becomes the default.

Victoria needs a more disciplined approvals framework for regional housing, with clear decision timeframes, stronger coordination across agencies and escalation pathways where matters are drifting. It should also require key authorities operating under other Acts (water, roads, environment, heritage and emergency management) to align with agreed housing growth outcomes.

This would not lower standards. It would make the system more predictable, more accountable and more workable for housing projects otherwise ready to proceed.

Make regional housing projects viable through better tax and funding settings

Regional housing projects operate in markets that are often smaller, slower and less able to absorb cost escalation than metropolitan Melbourne. What works in a metropolitan setting is often incompatible with a regional context.

Two issues stand out. The first is the Windfall Gains Tax (WGT), which disproportionately affects regional rezonings where land moves from farming to higher-use zones and Growth Area Infrastructure Contributions (GAIC) do not apply. The second is high rates of charges and contributions that can push projects beyond what regional housing markets can absorb.

In regional Victoria, slower sales rates, smaller project scale, servicing constraints and upfront risk mean charges that might work elsewhere can be enough to stop projects altogether.

Government should abolish or limit the scope and rate of the WGT to avoid undermining rezonings needed for regional housing supply (including consideration of a cap aligned to the GAIC rate). It should also ensure Development Contribution Plans (DCPs) and authority charges are fair, proportionate and tied to infrastructure that genuinely relates to the development being levied.

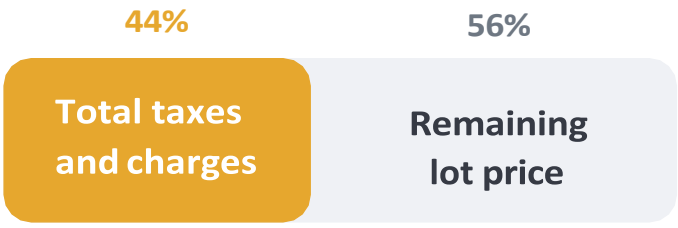
To read further on how detrimental WGT has been on regional development, please refer to UDIA's Reforming Windfall Gains Tax to Unlock More Housing.

$2.5m

average taxes and charges per hectare

1 ha

The average cost of taxes and charges attached to each hectare of new greenfield development.



Taxes and charges now make up nearly half the price of a typical greenfield lot.

Build the regional workforce needed to deliver new homes

Regional housing delivery depends on people as much as policy. Homes cannot be delivered without planners to assess applications, engineers to resolve servicing, surveyors to certify land, civil contractors to deliver enabling works and trades to build the homes themselves.

Workforce shortages are affecting the full housing delivery chain. Regional councils, referral agencies and utilities are competing for technical specialists, while builders and civil contractors face labour shortages, cost escalation, competition from major infrastructure projects and now supply shortages resulting from the Middle East conflict.

Government should fund a regional housing workforce package that supports both the public and private sides of delivery. This should include cadetships and graduate pathways for planners, engineers and surveyors; targeted support for regional council planning and engineering teams; faster qualification recognition for skilled workers; industry-aligned training for civil construction and residential trades; and incentives to attract and retain housing-critical workers in regional areas.

A stronger regional workforce would reduce assessment delays, improve productivity and underpin regional employment growth, while turning housing targets into completed homes.

"Delivering more homes in regional Victoria depends on getting the policy settings right for the industry that builds them. UDIA represents that industry, and we encourage anyone who wants to help shape these reforms to contact us at info@udiavic.com.au and add their voice."

Linda Allison, UDIA Victoria CEO

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UDIA Victoria respectfully acknowledge the Wurundjeri People of the Kulin Nation, who are the Traditional Owners of the land on which we work and pay respect to their Elders past, present and emerging.