

Media Release

The Hon Sonya Kilkeny MP
Minister for Planning
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BOOSTING HOUSING CHOICE IN GROWTH AREAS

More homes means more opportunity – that’s why the Allan Labor Government is making it easier to build more homes on smaller parcels of land in growth areas in Melbourne and regional cities.

Minister for Planning Sonya Kilkeny announced changes to the Small Lot Housing Code, making it easier to get different types of homes off the ground in Melbourne’s growth areas.

The existing code allows homes to be built on blocks less than 300 square metres without a planning permit if the set of design standards are met.

As a result of industry feedback, updates to the code introduce a new type of home that can be built on lots less than 100 square metres without a permit. This includes building townhouses on skinnier longer blocks, which was not covered as part of the original code.

Updates to the code also bring in improved design standards for lots under 300 square metres to ensure homes are better suited to modern living – including larger balconies, more windows facing the street, and more space for trees and greenery.

By removing requirements, such as the need for double garages, the updated code allows for more greenspace, smarter housing designs and homes up to four-storeys.

The Small Lot Housing Code applies to residential and mixed-use Precinct Structure Plans in Melbourne’s Urban Growth Zone, as well as special purpose zones in Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea, and Wyndham, Geelong, Ballarat, Baw Baw, Cardinia and Knox.

These updates aim to increase housing diversity and affordability, making it easier for smaller families and single-person households to find homes that meet their needs.

To allow time for adjustment, the updated code will have a two-year transition period. Developers can begin using the new standards immediately, but the current code will remain in effect until the end of 2026.

The update to the code was the result of extensive consultation with industry and builds on the previous 2019 code.

This is just one lever the Labor Government is pulling to deliver more homes and more opportunity. Separately, the Government is examining how our planning and building systems can be streamlined, enabling more Victorians to add a second home, build two new homes, or subdivide a block into two lots.

To find out more about changes to the Small Lot Housing Code go to vpa.vic.gov.au/project/slhc2.

Quotes attributable to Minister for Planning Sonya Kilkeny

“While the large, detached family home continues to be popular in Melbourne’s new suburbs, we’re seeing more demand for smaller homes and these changes will give Victorians more choice.”

“Through these changes we’re also strengthening design standards, so that we’re not just building more homes but building better-quality homes”

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