



City of Victor Harbor Submission

Productivity Commission

Housing Supply Regulation - Interim Report

September 2026



Introduction

The City of Victor Harbor welcomes the opportunity to provide feedback on the Productivity Commission's *Housing Supply Regulation – Interim Report*.

As one of South Australia's fastest-growing regional communities, Victor Harbor is expected to accommodate significant housing growth over the coming decades. While the City supports reforms that facilitate additional housing in appropriate locations, sustained housing supply outcomes will only be achieved where growth is supported by strategic planning, enabling infrastructure, clear delivery responsibilities and measures that protect long-term community liveability.

The following comments are intended to assist the Commission in developing practical and sustainable recommendations that support housing delivery while recognising the infrastructure and planning challenges facing growing regional communities.

Key Recommendations

The City of Victor Harbor recommends that the final report:

- provide dedicated funding to local government for strategic and infrastructure planning;
- ensure housing targets are informed by and accompanied by State Government-led infrastructure and delivery plans;
- provide State Government leadership, technical assistance and financial support to help local government implement best-practice strategic planning;
- clearly identify roles, responsibilities, resources, funding, timing and risk allocation between the three tiers of government and relevant infrastructure providers;
- provide State Government leadership, technical assistance, transparent funding arrangements and access to upfront financing to support the implementation of infrastructure schemes; and
- measure housing supply outcomes through completed homes in serviced and liveable communities.

Greater weight given to strategic planning reform

The City supports the Commission's prioritisation of land-use reform and infrastructure coordination but emphasises that enduring housing supply gains depend on properly funded strategic, structure and infrastructure planning.

Faster assessment of individual applications is useful; however, it cannot turn unserviced or poorly located land into housing-ready land.

Recommendation: Properly funded strategic planning, structure planning and infrastructure planning

Targets must be matched by delivery capacity

Victor Harbor is required to plan for approximately 318 to 475 additional dwellings per year across successive decades, compared with a previous average build rate of approximately 137 dwellings per year (years 2015 to 2024). This level of growth represents more than double the City's recent average housing delivery rate and demonstrates the importance of coordinated infrastructure planning and investment.

A numerical target alone does not identify who will deliver, fund or maintain the water, wastewater, transport, stormwater, open space, health, education and community infrastructure needed to support that growth. Recent land division proposals within Victor Harbor that would result in increased capacity to support growth have demonstrated that infrastructure servicing capacity, delivery sequencing and the timing of infrastructure upgrades can significantly influence whether housing can proceed and at what scale.

Recommendation: Ensure housing targets are informed by and accompanied by State Government-led infrastructure and delivery plans.

Housing ready' must include infrastructure and liveability

The Commission's final report should distinguish zoned capacity from land that is serviced, infrastructure-ready, commercially feasible and capable of supporting a liveable community. Council's future Local Area Plan (LAP) will require detailed consideration of place-based evidence, infrastructure timing, funding mechanisms, social infrastructure and alignment with long-term asset and financial planning. This is substantial work and must be acknowledged, not a minor regulatory adjustment.

Recommendation: Provide State Government leadership, technical assistance and financial support to help local government implement best-practice strategic planning.

Clarify government roles and funding

The report's final recommendations should allocate clear responsibility to Commonwealth, State, local government, utilities and developers, including who funds each infrastructure class, when funding is available, who carries upfront financing, first-mover, delivery and long-term lifecycle risks. Expectations placed on smaller Councils should be accompanied by technical support and funding proportionate to the State and national housing outcomes sought.

Recommendation: Clearly identify roles, responsibility, resources, expectations, funding, timing and risk allocation between the three tiers of Government.

Infrastructure schemes need implementation support

South Australian Infrastructure Schemes should not be assumed to provide a complete or universally suitable solution. As relatively new and resource-intensive mechanisms, their successful application will require State-led coordination, technical assistance, transparent funding arrangements and access to upfront financing, particularly where smaller Councils are expected to facilitate State-priority growth.

Recommendation: Provide State Government leadership, technical assistance, transparent funding arrangements and access to upfront financing to support the implementation of infrastructure schemes.

Liveable communities as an outcome

The Commission should assess reform success by completed homes in well-serviced, liveable communities, not only by zoned capacity or approval speed, and should recommend dedicated Commonwealth and State support for the strategic planning and infrastructure work required in regional growth areas.

Recommendation: Measure outcomes through completed, serviced and liveable communities.

Conclusion

The City of Victor Harbor supports the Commission's objective of increasing housing supply in appropriate locations. However, the success of housing reform should not be measured solely through zoned capacity or approval timeframes.

Long-term housing supply outcomes depend on coordinated strategic planning, timely infrastructure delivery, clearly defined responsibilities and investment in communities that remain liveable, resilient and financially sustainable over time.

The City encourages the Commission to recognise that housing supply, infrastructure planning and community liveability are intrinsically linked, and to reflect these considerations in its final recommendations. The City appreciates the opportunity to contribute to the consultation process.