**City of Adelaide - March 2018**

**Comments on the National Housing Finance and Investment Corporation Investment Mandate Direction 2018**

The National Housing Finance and Investment Corporation Act 2018 and Investment Direction provides opportunities for City of Adelaide to continue to be supportive of the provision of affordable housing.

Comments in relation to the City of Adelaide:

* City of Adelaide is not a registered housing provider and would not be seeking to access funds from the Affordable Housing Bond Aggregator.
* City of Adelaide would consider the National Housing Infrastructure Facility, and would be interested in grants, but unlikely to seek any form of finance to fund infrastructure.
* City of Adelaide would be open to being a participant within a Special Purpose Vehicle (SPV) with not-for-profit providers.
* City of Adelaide is supportive of enabling a greater number of people to be housed affordably.

Legislative Context in South Australia

* Greater attention needs to be placed on how to tailor the investment mandate to South Australian legislative circumstances to enhance leveraging options to increase the number of affordable homes.
* The inclusion of real targets for affordable housing which result in people being able to access housing with flow-on benefits such as stability, health, and social cohesion.
* *Development Act*, 1993 is currently in a lengthy process of transition to the *Planning, Development and Infrastructure Act* 2016, which may lend itself to opportunities to enhance the interaction with NHFIC delivery of affordable housing

General Comments on Investment Mandate Direction

* Will regard be given to the potential effectiveness of the investments if they provide for housing without good access to or funding to provide for social infrastructure?
* If not, will social infrastructure be required and/or funded via another mechanism? Vulnerable people residing in social housing funded by the NHFIC should not be disadvantaged with regard to access to facilities and services that can support quality of life and social inclusion. This may be a particular concern if the housing is located at the urban fringe or in areas with inadequate social infrastructure.
* To what extent can these investments be used to leverage lower ongoing living costs and optimise health outcomes for occupants via design and construction of housing (passive solar design/insulation/energy efficiency/materials/universal design/air quality/opportunity for active travel)?
* Provision of affordable housing via this fund should be managed such that it does not result in the creation of substandard housing. This would exacerbate the challenges faced by those eligible for purchasing or living in affordable housing.

Targets, Review and Performance Measurement

* City of Adelaide would like to see rigorous efforts, such as targets, in place to ensure the fund’s Board is required to deliver affordable housing which translates to potential on-ground life improvements for real people
* City of Adelaide supports the provision of affordable housing which does not inadvertently stigmatise the end-user of affordable housing
* Performance measures could potentially include:
  + Number and percentage targets for affordable housing provided for each development funded
  + Number and percentage targets for affordable housing which is indistinguishable from the remainder of housing stock provided for each development
  + Number of people provided with affordable housing as a direct result of receiving funding from the National Housing Finance and Investment Corporation
  + Number of affordable housing developments which are located near good quality social infrastructure and public transport
  + Number of affordable housing developments which provide affordable living costs through design and construction methods of housing (eg: passive solar design, insulation/energy efficiency and opportunity for active travel).