

# EXPOSURE DRAFT



EXPOSURE DRAFT (24/10/2023)

## **Housing Australia Investment Mandate Amendment (Social Housing, Affordable Housing and Acute Housing Needs) Direction 2023**

---

I, Julie Collins, Minister for Housing, Minister for Homelessness and Minister for Small Business, make the following direction.

Dated 2023

Julie Collins **DRAFT ONLY—NOT FOR SIGNATURE**  
Minister for Housing  
Minister for Homelessness  
Minister for Small Business

---

EXPOSURE DRAFT



# EXPOSURE DRAFT

---

## Contents

1 Name.....	1
2 Commencement .....	1
3 Authority.....	1
4 Schedules .....	1
<b>Schedule 1—Housing Australia Future Fund Facility</b>	<b>2</b>
<i>National Housing Finance and Investment Corporation Investment Mandate     Direction 2018</i>	2
<b>Schedule 2—Implementation of National Housing Accord</b>	<b>9</b>
<i>National Housing Finance and Investment Corporation Investment Mandate     Direction 2018</i>	9
<b>Schedule 3—Treasury Laws Amendment (Housing Measures No. 1) Act     2023 consequential matters</b>	<b>15</b>
Part 1—References to the NHFIC	15
<i>National Housing Finance and Investment Corporation Investment Mandate         Direction 2018</i>	15
Part 2—Housing Australia functions	21
<i>National Housing Finance and Investment Corporation Investment Mandate         Direction 2018</i>	21
<b>Schedule 4—Miscellaneous</b>	<b>27</b>
<i>National Housing Finance and Investment Corporation Investment Mandate     Direction 2018</i>	27



# EXPOSURE DRAFT

---

## 1 Name

This instrument is the *Housing Australia Investment Mandate Amendment (Social Housing, Affordable Housing and Acute Housing Needs) Direction 2023*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

---

### Commencement information

---

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

---

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under subsection 12(1) of the *Housing Australia Act 2018*.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

# EXPOSURE DRAFT

---

## Schedule 1—Housing Australia Future Fund Facility

### *National Housing Finance and Investment Corporation Investment Mandate Direction 2018*

#### 1 Section 4

Insert:

**HAFFF** (for Housing Australia Future Fund Facility) means the facility established for section 7A and Part 4A.

**HAFFF construction compliant**—see subsection 28E(4).

**HAFFF project**—see subsection 28E(1).

**HAFFF special purpose vehicle**—see subsection 28F(2).

**NCC** means the National Construction Code 2022 as existing on 1 October 2023.

Note: In October 2023, the National Construction Code 2022 could be viewed on the National Construction Code website (<http://ncc.abcb.gov.au>).

#### 2 Section 4 (at the end of the definition of *underlying eligible member*)

Add:

- ; or (c) of a HAFFF special purpose vehicle—means a member of the HAFFF special purpose vehicle that is an entity mentioned in paragraphs 28F(1)(a) to (h); or
- (d) of a NHAF special purpose vehicle—means a member of the NHAF special purpose vehicle that is an entity mentioned in paragraphs 28S(1)(a) to (h).

#### 3 After section 7

Insert:

#### 7A Establishment and operation of Housing Australia Future Fund Facility

Housing Australia must establish and operate a facility (the **HAFFF**) to make loans and grants in accordance with Part 4A.

Note: This is part of Housing Australia's financing function.

#### 4 At the end of Division 1 of Part 2

Add:

#### 10A Minimum number of dwellings to be made available

- (1) In performing its financing function, Housing Australia must take all reasonable steps, during a period of 5 years beginning on the day this section commences, to

# EXPOSURE DRAFT

---

achieve the outcome of making available, in each State and Territory, a minimum of 1,200 applicable dwellings.

- (2) In determining whether the outcome of a minimum of 1,200 covered dwellings has been achieved, Housing Australia must include any applicable dwellings made available in a State or Territory as a result of a grant of financial assistance made under subsection 18(1) or 18(3) of the *Housing Australia Future Fund Act 2023*.
- (3) An **applicable dwelling** is a dwelling that is or will be any of the following:
  - (a) social housing;
  - (b) affordable housing;
  - (c) addressing an acute housing need.

## 5 After Part 4

Insert:

## Part 4A—Housing Australia Future Fund Facility

### 28B Simplified outline of this Part

#### The Housing Australia Future Fund Facility

The purpose of the HAFFF is to:

- (a) increase the availability of social housing and affordable housing, and address acute housing needs; and
- (b) deliver the Government's commitment to support 30,000 dwellings available as social and affordable housing (20,000 social and 10,000 affordable) over 5 years; and
- (c) encourage private sector investment in projects that deal with these matters.

The HAFFF does this by providing finance (loans and grants) for projects that increase the supply of social housing and affordable housing and that address acute housing needs.

## Division 1—Financing mechanisms and eligibility

### 28C Applications for finance under the HAFFF

Housing Australia must consider an application from an entity for the making of a loan or a grant under the HAFFF if the application is made in the manner and form approved by Housing Australia.

# EXPOSURE DRAFT

---

## 28D Eligibility for loans and grants

Housing Australia must not make a loan or grant under the HAFFF through which a project may be financed unless it is satisfied of all of the following matters:

- (a) the project is a HAFFF project (see section 28E);
- (b) the project proponent is eligible under section 28F;
- (c) the loan or grant is covered by paragraph 8(1A)(a), (b) or (c) of the Act;
- (d) in the case of a loan—the risk that the loan will not be repaid does not exceed an acceptable level;
- (e) the project delivers value for money, in terms of the amount of housing delivered as compared to the amount of government support provided.

Note 1: Housing Australia may only make a loan or grant to an entity if the entity has applied to Housing Australia for the loan or grant: see subsection 10(4) of the Act.

Note 2: Section 28H provides that a project may be financed under the HAFFF through loans and grants.

## 28E HAFFF projects

- (1) A project is a **HAFFF project** if:
  - (a) all dwellings proposed to be designed, constructed or made available under the project are located in a State or Territory; and
  - (b) the project proponent declares in the application mentioned in section 28C that all dwellings are HAFFF construction compliant or will be when the dwellings are made available.
- (2) However, if the project proponent declares in their application that dwellings under the project are HAFFF construction compliant, the project is only a **HAFFF project** if the proponent provides evidence to Housing Australia certifying the dwellings are compliant.
- (3) If the project proponent declares in their application that the dwellings under the project will be HAFFF construction compliant when the dwellings are made available, the project ceases to be a **HAFFF project** if:
  - (a) the dwellings are made available under the project; and
  - (b) the proponent fails to provide, as soon as reasonably practicable after the dwellings are made available, evidence to Housing Australia certifying the dwellings are compliant.
- (4) A dwelling is **HAFFF construction compliant** if:
  - (a) the dwelling complies with the standards in the NCC relating to energy efficiency; and
  - (b) the dwelling complies with the standards in the NCC relating to livable housing design.

## 28F Eligible project proponents for HAFFF projects

- (1) To be eligible for finance under the HAFFF, the project proponent must be:



# EXPOSURE DRAFT

---

- (a) a State or Territory; or
- (b) a local governing body; or
- (c) a local-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
- (d) a State-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
- (e) a Territory-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
- (f) a registered community housing provider that is a constitutional corporation; or
- (g) an entity that has the primary purpose of improving, directly or indirectly, housing outcomes for Aboriginal or Torres Strait Islander people; or
- (h) an entity that is a constitutional corporation and has the primary purpose of improving, directly or indirectly, housing outcomes for members of the Australian Defence Force; or
- (i) a HAFFF special purpose vehicle that is a constitutional corporation.

Note: If the project proponent is a local governing body, the project may be financed only through a grant of financial assistance to a State or Territory: see paragraph 28H(2)(b).

- (2) An entity is a *HAFFF special purpose vehicle* if:
  - (a) it has a purpose of undertaking any of the following kinds of projects:
    - (i) projects to increase available social housing or affordable housing, or both;
    - (ii) projects to address acute housing needs; and
  - (b) at least one of its members is an entity mentioned in paragraphs (1)(a) to (h).

## 28G Identifying eligible project proponents

- (1) Housing Australia must:
  - (a) make reasonable efforts to identify entities in each State and Territory (including in regional, rural and remote areas) whose business or activities may be assisted or benefitted by being provided finance under the HAFFF; and
  - (b) promote the HAFFF to such entities.
- (2) Housing Australia must:
  - (a) make reasonable efforts to identify entities:
    - (i) whose business or activities may include projects to increase available social housing or affordable housing in the short term; and
    - (ii) that may be assisted or benefitted by being provided finance under the HAFFF in respect of such projects; and
  - (b) promote the HAFFF to such entities.

## 28H Financing mechanisms

- (1) A project may be financed under the HAFFF through:
-

# EXPOSURE DRAFT

---

- (a) one or more loans; or
  - (b) one or more grants; or
  - (c) any combination of any of the above.
- (2) The loans and grants must:
- (a) unless paragraph (b) applies—be made to the project proponent; or
  - (b) if the project proponent is a local governing body—be provided by way of a grant of financial assistance to a State or Territory.

Note: A term or condition for the grant of financial assistance may be that the State or Territory make a loan or grant to the local governing body.

## Division 2—Criteria for financing decisions

### 28J Matters to be considered when making financing decisions

- (1) In making a financing decision under this Part, Housing Australia must have regard to the following:
- (a) the extent to which the financing decision would increase one or more of the following on an equitable, as needs basis across Australia (including in regional, rural and remote Australia):
    - (i) social housing;
    - (ii) affordable housing;
    - (iii) housing that addresses an acute housing need;
  - (b) the likely effect of the project on the supply and ongoing availability of social housing and affordable housing, and housing addressing acute housing needs;
  - (c) whether the dwellings constructed under the project:
    - (i) are close to work, schools, transport and other amenities; and
    - (ii) support improved productivity and liveability;
  - (d) the extent to which the project's workforce (whether or not employed directly by the project proponent) will support greater participation of apprentices, in particular female apprentices and female trade apprentices in the building and construction industries;
  - (e) the extent to which financing the project would assist Housing Australia to achieve the outcome mentioned in section 10A;
  - (f) whether finance under the HAFFF is needed to encourage private sector participation in financing the project;
  - (g) whether finance under the HAFFF would complement, leverage or support other State or Territory finance or activities;
  - (h) any relevant report by or advice from the National Housing Supply and Affordability Council covered by subsection (2);
    - (i) the object of the Act and the limits set in the Act;
    - (j) where the project proponent is a HAFFF special purpose vehicle—the extent to which its underlying eligible members will be involved in the project over its duration;

# EXPOSURE DRAFT

---

- (k) where the project proponent is a constitutional corporation—the extent to which the support would assist the corporation in the performance or development of its activities, functions, relationships or business.
- (2) For the purposes of paragraph (1)(h), a report by or advice from the National Housing Supply and Affordability Council is covered by this subsection if:
  - (a) it is in relation to:
    - (i) unmet social housing or affordable housing needs, or unmet acute housing needs; and
    - (ii) the appropriate use of payments made under paragraph 47C(1)(b) of the Act to Housing Australia to meet those needs; and
  - (b) either or both of the following apply to it:
    - (i) it is publicly available;
    - (ii) Housing Australia has disclosed it to the project proponent.

## **Division 3—General matters**

### **28K Quarterly reporting to Minister in relation to the HAFFF**

- (1) As soon as practicable, but in any case within 3 months, after the end of a reporting period, Housing Australia must report to the Minister on the activities of Housing Australia under Divisions 1 and 2 during the period.
- (2) The report for a reporting period must set out:
  - (a) in relation to all projects that Housing Australia decided to finance under the HAFFF up to the end of the period—the following information:
    - (i) the total number of projects;
    - (ii) the total number of projects that provided social housing, affordable housing or addressed an acute housing need;
    - (iii) the number of projects in each State and Territory;
    - (iv) the number of projects that are complete, under construction, in planning, or will not be completed;
    - (v) the total amount of finance under the HAFFF provided in respect of those projects; and
  - (b) in relation to each project that Housing Australia decided, during the period, to finance under the HAFFF—the following information:
    - (i) the project proponent of the project;
    - (ii) the Statistical Area Level 4 area in which the project is located;
    - (iii) the types of persons that would be assisted by the project;
    - (iv) the number and types of dwellings made available under the project;
    - (v) whether the financing is to be through a loan or grant, or through a combination of these;
    - (vi) details of each loan or grant for the project;
    - (vii) the level of financing for the project under the HAFFF and from sources other than the HAFFF;
    - (viii) the expected completion date of the project.

# EXPOSURE DRAFT

---

- (3) If, within a reporting period, Housing Australia receives information that the dwellings under a project financed under the HAFFF:
- (a) are or are not HAFFF construction compliant; or
  - (b) will or will not be HAFFF construction compliant at the time those dwellings are made available;
- Housing Australia must set out that information in the report for that period.
- (4) Subsections (2) and (3) do not limit other information that may be set out in the report.

## *Reporting period*

- (5) A **reporting period** is:
- (a) the period:
    - (i) beginning on the day this section commences; and
    - (ii) ending on the day before the first 1 January, 1 April, 1 July or 1 October to occur after that commencement; and
  - (b) each successive 3 month period.

## **28L Liabilities under the HAFFF to be disregarded**

For the purposes of subsection 48(3) of the Act, the Board must disregard any likely liabilities or loans of Housing Australia that relate to the HAFFF.

## **[28M Minister’s determination as to amount for HAFFF financing decisions**

- (1) The Minister may determine the overall amount that may be used by Housing Australia in a financial year in making a financing decision under the HAFFF.
- (2) Housing Australia must not make a financing decision under the HAFFF that results, or would likely result, in that overall amount for that financial year being exceeded.
- (3) The overall amount determined by the Minister must not exceed the designated annual amount for a financial year (within the meaning of the *Housing Australia Future Fund Act 2023*).]

## **6 Paragraph 32(1)(a)**

Omit “AHBA or NHIF”, substitute “AHBA, NHIF, HAFFF or NHAF”.

## **7 Subsection 32(2)**

After “the NHIF”, insert “, the HAFFF or the NHAF”.

# EXPOSURE DRAFT

---

## Schedule 2—Implementation of National Housing Accord

### *National Housing Finance and Investment Corporation Investment Mandate Direction 2018*

#### 1 Section 4

Insert:

*NHAF* (for National Housing Accord Facility) means the facility established for section 7B and Part 4B.

*NHAF construction compliant*—see subsection 28R(4).

*NHAF project*—see subsection 28R(1).

*NHAF special purpose vehicle*—see subsection 28S(2).

#### 2 Before section 8

Insert:

#### 7B Establishment and operation of the National Housing Accord Facility

Housing Australia must establish and operate a facility (the *NHAF*) to make loans and grants in accordance with Part 4B.

Note: This is part of Housing Australia’s financing function.

#### 3 Section 8C

Repeal the section.

#### 4 Before Part 5

Insert:

### Part 4B—National Housing Accord Facility

#### 28N Simplified outline of this Part

##### **The National Housing Accord Facility**

The purpose of the NHAF is to:

- (a) increase the availability of affordable housing; and
- (b) deliver the Government’s commitment to support 10,000 additional dwellings available as affordable housing; and
- (c) encourage private sector investment in projects that deal with affordable housing.

# EXPOSURE DRAFT

The NHAF does this by providing finance (loans and grants) for projects that increase the supply of such dwellings.

## Division 1—Financing mechanisms and eligibility

### 28P Applications for finance under the NHAF

Housing Australia must consider an application from an entity for the making of a loan or a grant under the NHAF if the application is made in the manner and form approved by Housing Australia.

### 28Q Eligibility for loans and grants

- (1) Housing Australia must not make a loan or grant under the NHAF through which a project may be financed unless it is satisfied of all of the following matters:
  - (a) the project is a NHAF project (see section 28R);
  - (b) the project proponent is eligible under section 28S;
  - (c) the loan or grant is covered by paragraph 8(1A)(a), (b) or (c) of the Act;
  - (d) in the case of a loan—the risk that the loan will not be repaid does not exceed an acceptable level;
  - (e) the project delivers value for money, in terms of the amount of housing delivered as compared to the amount of government support provided.

Note 1: Housing Australia may only make a loan or grant to an entity if the entity has applied to Housing Australia for the loan or grant: see subsection 10(4) of the Act.

Note 2: Section 28U provides that a project may be financed under the NHAF through loans and grants.

- (2) Housing Australia must not make, or offer to make, a loan or grant under the NHAF before *[to be confirmed]*.

### 28R NHAF projects

- (1) A project is a **NHAF project** if:
  - (a) all dwellings proposed to be designed, constructed or made available under the project are located in a State or Territory; and
  - (b) the project proponent declares in the application mentioned in section 28P that all dwellings are NHAF construction compliant or will be when the dwellings are made available.
- (2) However, if the project proponent declares in their application that dwellings under the project are NHAF construction compliant, the project is only a **NHAF project** if the proponent provides evidence to Housing Australia certifying the dwellings are compliant.
- (3) If the project proponent declares in their application that the dwellings under the project will be NHAF construction compliant when the dwellings are made available, the project ceases to be a **NHAF project** if:
  - (a) the dwellings are made available under the project; and

# EXPOSURE DRAFT

---

- (b) the proponent fails to provide, as soon as reasonably practicable after the dwellings are made available, evidence to Housing Australia certifying the dwellings are compliant.
- (4) A dwelling is *NHAF construction compliant* if:
  - (a) either:
    - (i) the dwelling complies with the standards in the NCC relating to energy efficiency; or
    - (ii) if the State or Territory the dwellings are located in has a different standard applicable for energy efficiency—the dwelling complies with that different standard; and
  - (b) the dwelling complies with the standards in the NCC relating to livable housing design.

## 28S Eligible project proponents for NHAF projects

- (1) To be eligible for finance under the NHAF, the project proponent must be:
  - (a) a State or Territory; or
  - (b) a local governing body; or
  - (c) a local-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
  - (d) a State-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
  - (e) a Territory-government-owned corporation (other than a utility provider) that is a constitutional corporation; or
  - (f) a registered community housing provider that is a constitutional corporation; or
  - (g) an entity with the primary purpose of directly or indirectly improving housing outcomes for Aboriginal or Torres Strait Islander people; or
  - (h) an entity that is a constitutional corporation and has the primary purpose of improving, directly or indirectly, housing outcomes for members of the Australian Defence Force; or
  - (i) a NHAF special purpose vehicle that is a constitutional corporation.

Note: If the project proponent is a local governing body, the project may be financed only through a grant of financial assistance to a State or Territory: see paragraph 28U(2)(b).

- (2) An entity is a *NHAF special purpose vehicle* if:
  - (a) it has a purpose of undertaking projects that provide affordable housing; and
  - (b) at least one of its members is an entity mentioned in paragraphs (1)(a) to (h).

## 28T Identifying eligible project proponents

- (1) Housing Australia must:
  - (a) make reasonable efforts to identify entities, in each State and Territory (including in regional, rural and remote areas) whose business or activities

# EXPOSURE DRAFT

---

may be assisted or benefitted by being provided finance under the NHAF;  
and

(b) promote the NHAF to such entities.

(2) Housing Australia must:

(a) make reasonable efforts to identify entities:

(i) whose business or activities may include projects to increase available affordable housing in the short term; and

(ii) that may be assisted or benefitted by being provided finance under the NHAF in respect of such projects; and

(b) promote the NHAF to such entities.

## 28U Financing mechanisms

(1) A project may be financed under the NHAF through:

(a) one or more loans; or

(b) one or more grants; or

(c) any combination of any of the above.

(2) The loans and grants must:

(a) unless paragraph (b) applies—be made to the project proponent; or

(b) if the project proponent is a local governing body—be provided by way of a grant of financial assistance to a State or Territory.

Note: A term or condition for the grant of financial assistance may be that the State or Territory make a loan or grant to the local governing body.

## Division 2—Criteria for financing decisions

### 28V Matters to be considered when making financing decisions

In making a financing decision under this Part, Housing Australia must have regard to the following:

(a) the extent to which the financing decision would increase affordable housing on an equitable, as needs basis across Australia (including in regional, rural and remote Australia);

(b) the likely effect of the project on the supply and ongoing availability of affordable housing;

(c) whether the dwellings constructed under the project:

(i) are close to work, schools, transport and other amenities; and

(ii) support improved productivity and liveability;

(d) the extent to which the project's workforce (whether or not employed directly by the project proponent) will support greater participation of apprentices, in particular female apprentices and female trade apprentices in the building and construction industries;

(e) whether finance under the NHAF is needed to encourage private sector participation in financing the project;



# EXPOSURE DRAFT

---

- (f) whether finance under the NHAF would complement, leverage or support other Commonwealth, State or Territory finance or activities;
- (g) the object of the Act and the limits set in the Act;
- (h) where the project proponent is a NHAF special purpose vehicle—the extent to which its underlying eligible members will be involved in the project over its duration;
- (i) where the project proponent is a constitutional corporation—the extent to which the support would assist the corporation in the performance or development of its activities, functions, relationships or business.

## **Division 3—General matters**

### **28W Quarterly reporting to Minister in relation to the NHAF**

- (1) As soon as practicable, but in any case within 3 months, after the end of a reporting period, Housing Australia must report to the Minister on the activities of Housing Australia under Divisions 1 and 2 during the period.
- (2) The report for a reporting period must set out:
  - (a) in relation to all projects that Housing Australia decided to finance under the NHAF up to the end of the period—the following information:
    - (i) the total number of projects;
    - (ii) the number of projects in each State and Territory;
    - (iii) the number of projects that are complete, under construction, in planning, or will not be completed;
    - (iv) the total amount of finance under the NHAF provided in respect of those projects; and
  - (b) in relation to each project that Housing Australia decided, during the period, to finance under the NHAF—the following information:
    - (i) the project proponent of the project;
    - (ii) the Statistical Area Level 4 area in which the project is located;
    - (iii) the types of persons that would be assisted by the project;
    - (iv) the number and types of dwellings made available under the project;
    - (v) whether the financing is to be through a loan or grant, or through a combination of these;
    - (vi) details of each loan or grant for the project;
    - (vii) the level of financing for the project under the NHAF and from sources other than the NHAF;
    - (viii) the expected completion date of the project.
- (3) If, within a reporting period, Housing Australia receives information that the dwellings under a project financed under the NHAF:
  - (a) are or are not NHAF construction compliant; or
  - (b) will or will not be NHAF construction compliant at the time those dwellings are made available;Housing Australia must set out that information in the report for that period.

# EXPOSURE DRAFT

---

- (4) Subsections (2) and (3) do not limit other information that may be set out in the report.

*Reporting period*

- (5) A **reporting period** is:

- (a) the period:
  - (i) beginning on the day this section commences; and
  - (ii) ending on the day before the first 1 January, 1 April, 1 July or 1 October to occur after that commencement; and
- (b) each successive 3 month period.

# EXPOSURE DRAFT

---

## **Schedule 3—Treasury Laws Amendment (Housing Measures No. 1) Act 2023 consequential matters**

### **Part 1—References to the NHFIC**

#### *National Housing Finance and Investment Corporation Investment Mandate Direction 2018*

##### **1 Section 1**

Omit “*National Housing Finance and Investment Corporation*”, substitute “*Housing Australia*”.

##### **2 Section 3**

Omit “*National Housing Finance and Investment Corporation Act 2018*”, substitute “*Housing Australia Act 2018*”.

##### **3 Section 4 (paragraph (b) of the note)**

Repeal the paragraph.

##### **4 Section 4 (definition of Act)**

Omit “*National Housing Finance and Investment Corporation Act 2018*”, substitute “*Housing Australia Act 2018*”.

##### **5 Section 4 (definition of *unissued*)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

##### **6 Section 5**

Omit “the NHFIC’s”, substitute “Housing Australia’s”.

##### **7 Section 5 (note)**

Omit “the NHFIC”, substitute “Housing Australia”.

##### **8 Sections 6, 7, 8 and 8A**

Omit “The NHFIC”, substitute “Housing Australia”.

##### **9 Section 9**

Omit “The NHFIC” (wherever occurring), substitute “Housing Australia”.

##### **10 Section 10**

Omit “the NHFIC”, substitute “Housing Australia”.

##### **11 Subsections 11(1) and (3)**

Omit “the NHFIC”, substitute “Housing Australia”.

# EXPOSURE DRAFT

---

## **12 Subsections 11(4) and (5)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **13 Subsections 11(5), (6) and (7)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **14 Subsection 13(1)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **15 Section 15**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **16 Part 3 (box after the heading)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **17 Subsections 16(2) and (3)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **18 Section 17**

Omit “The NHFIC”, substitute “Housing Australia”.

## **19 Section 17**

Omit “the NHFIC”, substitute “Housing Australia”.

## **20 Section 19**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **21 Subsection 21(1)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **22 Subsection 24(2)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **23 Subsection 24(3)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **24 Subsections 25(2) and 26(1)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **25 Subsections 26(2) and (3)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **26 Subsection 28(1)**

Omit “the NHFIC”, substitute “Housing Australia”.

# EXPOSURE DRAFT

---

## **27 Section 28A**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **28 Part 5A (box after the heading)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **29 Part 5A (box after the heading)**

Omit “allowing NHFIC”, substitute “allowing Housing Australia”.

## **30 Subsection 29B(1)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **31 Subsections 29B(2) and (2A)**

Omit “The NHFIC”, substitute “Housing Australia”.

## **32 Section 29C**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## **33 Section 29G (heading)**

Omit “NHFIC”, substitute “**Housing Australia**”.

## **34 Section 29G**

Omit “The NHFIC”, substitute “Housing Australia”.

## **35 Subsection 29H(1)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **36 Subsection 29H(2)**

Omit “by NHFIC”, substitute “by Housing Australia”.

## **37 Subsection 29H(3) and (5)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **38 Subsections 29I(1) and (3)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **39 Subsection 29I(8) (heading)**

Omit “*The NHFIC*”, substitute “*Housing Australia*”.

## **40 Subsections 29I(8) and (10)**

Omit “the NHFIC”, substitute “Housing Australia”.

## **41 Subsections 29IA(1), (2A) and (3)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

# EXPOSURE DRAFT

---

**42 Subsection 29IA(3) (note 1)**

Omit “the NHFIC”, substitute “Housing Australia”.

**43 Subsections 29IA(4) and (5)**

Omit “the NHFIC”, substitute “Housing Australia”.

**44 Subsection 29IA(8) (heading)**

Omit “*The NHFIC*”, substitute “*Housing Australia*”.

**45 Subsections 29IA(8) and (10)**

Omit “the NHFIC”, substitute “Housing Australia”.

**46 Subsection 29IA(13)**

Omit “The NHFIC”, substitute “Housing Australia”.

**47 Sections 29IB and 29IBA**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

**48 Subparagraph 29IC(2)(a)(ii)**

Omit “the NHFIC”, substitute “Housing Australia”.

**49 Section 29J (heading)**

Omit “NHFIC”, substitute “**Housing Australia**”.

**50 Section 29J**

Omit “The NHFIC”, substitute “Housing Australia”.

**51 Subsections 29JA(1) and (2)**

Omit “The NHFIC”, substitute “Housing Australia”.

**52 Subsections 29JA(3) and (4)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

**53 Subsection 29JA(5)**

Omit “the NHFIC”, substitute “Housing Australia”.

**54 Subsection 29K(1)**

Omit “The NHFIC”, substitute “Housing Australia”.

**55 Subsection 29K(2)**

Omit “the NHFIC”, substitute “Housing Australia”.

**56 Subsection 29K(3)**

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

# EXPOSURE DRAFT

---

## 57 Subsection 29L(1)

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## 58 Paragraph 29L(1)(ba)

Omit “the NHFIC’s”, substitute “Housing Australia’s”.

## 59 Paragraph 29L(1)(ca)

Omit “the NHFIC”, substitute “Housing Australia”.

## 60 Subsection 29L(3)

Omit “The NHFIC”, substitute “Housing Australia”.

## 61 Section 30

Omit “the NHFIC” (wherever occurring), substitute “Housing Australia”.

## 62 Section 31

Omit “The NHFIC” (wherever occurring), substitute “Housing Australia”.

## 63 Subsection 32(1)

Omit “The NHFIC”, substitute “Housing Australia”.

## 64 Paragraphs 32(1)(a), (b) and (c)

Omit “the NHFIC”, substitute “Housing Australia”.

## 65 Subsection 32(2)

Omit “the NHFIC”, substitute “Housing Australia”.

## 66 Subsection 32(2)

Omit “the NHFIC’s”, substitute “Housing Australia’s”.

## 67 Section 33

Omit “The NHFIC”, substitute “Housing Australia”.

## 68 Paragraph 34(1)(a)

Omit “the NHFIC”, substitute “Housing Australia”.

## 69 Subsection 34(2) (definition of *total guaranteed liabilities of the NHFIC*)

Repeal the definition, substitute:

*total guaranteed liabilities of Housing Australia*, at a particular time, means the sum of the current values of all amounts that are, or can be as a consequence of current liabilities of Housing Australia (other than guarantee liabilities) expected to be:

- (a) payable to a person other than the Commonwealth; and

# EXPOSURE DRAFT

---

(b) guaranteed by the Commonwealth under section 51 of the Act.

## **70 Section 35**

Omit “The NHFIC”, substitute “Housing Australia”.



# EXPOSURE DRAFT

---

## Part 2—Housing Australia functions

### *National Housing Finance and Investment Corporation Investment Mandate Direction 2018*

#### **71 Section 4**

Insert:

*financing application* means an application to Housing Australia for the making of a loan or grant.

#### **72 Section 4 (definition of *financing decision*)**

Omit “loan, investment or grant”, substitute “loan or grant”.

#### **73 Section 4 (definition of *financing proposal*)**

Repeal the definition.

#### **74 Section 4 (definition of *infrastructure*)**

Repeal the definition.

#### **75 Section 6**

Omit “provide”, substitute “make”.

#### **76 At the end of section 6**

Add:

Note: This is part of Housing Australia’s financing function.

#### **77 Section 7**

Omit “loans, investments”, substitute “loans”.

#### **78 At the end of section 7**

Add:

Note: This is part of Housing Australia’s financing function.

#### **79 At the end of section 8**

Add:

Note: This is part of Housing Australia’s capacity building function.

#### **80 At the end of section 8A**

Add:

Note: This is part of Housing Australia’s guarantee function.

# EXPOSURE DRAFT

---

## **81 Section 8B**

Repeal the section.

## **82 Paragraph 9(1)(a)**

Omit “8C”, substitute “8A”.

## **83 Subsection 11(5)**

Omit “provide”, substitute “make”.

## **84 Paragraph 13(1)(a)**

Omit “or investments”.

## **85 Subparagraph 13(1)(b)(i)**

Omit “and investments”.

## **86 Subsection 13(3)**

Omit “and investments”.

## **87 Before section 16**

Insert:

## **15B Applications for loans**

Housing Australia must consider an application from an entity for the making of a loan through the AHBA if

- (a) the entity is a registered community housing provider; and
- (b) the application is made in the manner and form approved by Housing Australia.

## **88 Subsection 16(1)**

Repeal the subsection, substitute:

- (1) Housing Australia must not make loans through the AHBA to an entity unless it is satisfied that:
  - (a) the entity is a registered community housing provider; and
  - (b) the loan is covered by paragraph 8(1A)(a), (b) or (c) of the Act.

## **89 Subsection 16(2)**

Omit “provide”, substitute “make”.

## **90 Subsection 16(3)**

Omit “classes of providers”, substitute “classes of registered community housing providers”.

## **91 At the end of section 16**

Add:

# EXPOSURE DRAFT

---

Note: Housing Australia may only make a loan to an entity if the entity has applied to Housing Australia for the loan: see subsection 10(4) of the Act.

## 92 Section 17

Omit “providers”, substitute “registered community housing providers”.

## 93 Section 18

Omit “provide”, substitute “make”.

## 94 Before section 21A

Insert:

### 21AB Applications for finance under the NHIF

Housing Australia must consider an application from an entity for the making of a loan or grant under the NHIF if the application is made in the manner and form approved by Housing Australia.

### 21AC Eligibility for loans and grants

Housing Australia must not make a loan or grant under the NHIF through which a project may be financed unless it is satisfied of the following matters:

- (a) the project proponent is eligible under section 22 or 22A;
- (b) the project is eligible under section 23;
- (c) the loan or grant is covered by paragraph 8(1A)(a), (b) or (c) of the Act;
- (d) in the case of a loan—the risk that the loan will not be repaid does not exceed an acceptable level.

Note 1: Housing Australia may only make a loan or grant to an entity if the entity has applied to Housing Australia for the loan or grant: see subsection 10(4) of the Act.

Note 2: Section 24 provides that a project may be financed under the NHIF through loans and grants.

## 95 After section 22A

Insert:

### 22B Identifying eligible project proponents

Housing Australia must:

- (a) make reasonable efforts to identify entities in each State and Territory whose business or activities may be assisted or benefitted by being provided finance under the NHIF; and
- (b) promote the NHIF to such entities.

## 96 Section 23A

Repeal the section.

# EXPOSURE DRAFT

---

## **97 Paragraph 24(1)(b)**

Repeal the paragraph.

## **98 Subsection 24(4)**

Repeal the subsection.

## **99 Subsection 24(5)**

Omit “Grant proposals seeking”, substitute “Applications seeking grants and”.

## **100 Subsection 24(6) (note)**

Omit “loan, investment”, substitute “loan”.

## **101 Subsection 25(1)**

Repeal the subsection.

## **102 Subsection 25(2)**

Omit “(2) In making a financing decision”, substitute “In making a financing decision under this Part”.

## **103 Subsection 26(1)**

After “financing decision”, insert “under this Part”.

## **104 Paragraph 26(1)(a)**

Omit “proposal”, substitute “project”.

## **105 Subsection 26(2)**

Omit “proposal”, substitute “project”.

## **106 Subparagraph 28A(2)(e)(i)**

Omit “a loan, investment or grant, or through a combination of 2 or more of these”, substitute “a loan or grant, or through a combination of these”.

## **107 Subparagraph 28A(2)(e)(ii)**

Omit “loan, investment”, substitute “loan”.

## **108 Part 5**

Repeal the Part, substitute:

## **Part 5—Capacity building assistance**

### **28X Simplified outline of this Part**

Capacity building
-------------------

# EXPOSURE DRAFT

Housing Australia may provide business advisory services and other assistance in capacity building under this Part to registered community housing providers, including to further develop their financial and management capabilities. Housing Australia may enter into contracts with persons or entities to provide such assistance to registered community housing providers.

## **28Y Applications for capacity building assistance**

Housing Australia must consider an application from an entity for the provision of business advisory services and other assistance in capacity building if:

- (a) the entity is a registered community housing provider; and
- (b) the application is made in the manner and form approved by Housing Australia.

## **28Z Eligibility for capacity building assistance**

Housing Australia must not provide business advisory services and other assistance in capacity building to a registered community housing provider unless it is satisfied that the assistance is covered by paragraph 8(1C)(a) or (b) of the Act.

Note: Housing Australia may only provide assistance in capacity building to an entity if the entity has applied to Housing Australia for the assistance in capacity building: see subsection 10(4) of the Act.

## **28ZA Matters to be considered when making capacity building decisions**

In deciding whether to provide business advisory services and other assistance in capacity building to a registered community housing provider, the Board must have regard to the extent to which the registered community housing provider requires assistance in one or more of the following areas for the purpose of supporting an application by the entity to Housing Australia for a loan, grant or guarantee:

- (a) finance;
- (b) business planning;
- (c) property development;
- (d) risk management.

## **109 Section 29A**

Repeal the section, substitute:

## **29 Application for guarantees**

Housing Australia must consider an application from an entity for the issuing of a guarantee if:

- (a) the entity is an eligible lender; and
- (b) the application is made in the manner and form approved by Housing Australia.

# EXPOSURE DRAFT

---

## **29A Eligibility for guarantees**

Housing Australia must not issue a guarantee to an entity unless it is satisfied that:

- (a) the guarantee is covered by subsection 8(1B) of the Act; and
- (b) the entity is an eligible lender; and
- (c) the guarantee is in relation to an eligible loan.

Note: Housing Australia may only issue a guarantee to an entity if the entity has applied to Housing Australia for the guarantee: see subsection 10(4) of the Act.

## **110 Part 5B**

Repeal the Part.

## **111 Subsections 30(1) and (2)**

Omit “proposal”, substitute “application”.

## **112 Paragraph 32(1)(a)**

Omit “proposal”, substitute “application”.

## **113 At the end of Part 7**

Add:

## **Division 6—Amendments made by the Housing Australia Investment Mandate Amendment (Social Housing, Affordable Housing and Acute Housing Needs) Direction 2023**

### **41 Application of amendments**

The amendments of this Direction made by Part 2 of Schedule 3 to the *Housing Australia Investment Mandate Amendment (Social Housing, Affordable Housing and Acute Housing Needs) Direction 2023* apply in relation to applications for the making of a loan or grant, the issuing of a guarantee or assistance in capacity building made:

- (a) on or after the commencement of that Part; or
- (b) before the commencement of that Part where no decision has been made before commencement by Housing Australia about whether to make a loan or grant, issue a guarantee, or provide assistance in capacity building.

# EXPOSURE DRAFT

---

## **Schedule 4—Miscellaneous**

### *National Housing Finance and Investment Corporation Investment Mandate Direction 2018*

#### **1 Part 3 (after the heading)**

Insert:

#### **15A Simplified outline of this Part**

#### **2 Part 4 (after the heading)**

Insert:

#### **21AA Simplified outline of this Part**

#### **3 Part 5A (after the heading)**

Insert:

#### **28ZB Simplified outline of this Part**