

STATEMENT OF EXPECTATIONS FOR HOUSING AUSTRALIA

Following the re-election of the Albanese Labor Government, we are pleased to provide Housing Australia with an updated Statement of Expectations, which outlines the Government's key priorities, objectives and expectations of Housing Australia's operations.

Australia's housing crisis has been a generation in the making. Many Australians are working hard, doing everything right – and still can't afford a place to call home. While this crisis won't be overcome overnight, Australians rightly expect the Government to act ambitiously and to move fast to tackle Australia's housing crisis.

The Albanese Labor Government has a \$43 billion Homes for Australia Plan focused on making it easier to buy, better to rent and build more homes. This is more than 8 times the Government's investment in housing in the decade prior. Housing Australia has a significant role in delivering this agenda, particularly through social and affordable housing and homeownership support.

The Government's Homes for Australia Plan recognises the importance of securing safe and affordable accommodation to meet the particular needs of vulnerable cohorts of people, including women, young people and First Nations peoples.

In providing this Statement of Expectations (Statement), we acknowledge the objectives, functions, powers, activities and governance arrangements of Housing Australia as set out under the Housing Australia Act 2018 (Housing Australia Act), the Help to Buy Act 2024, the Help to Buy Program Directions 2025, and the Housing Australia Investment Mandate Direction 2018 (Investment Mandate).

We also acknowledge Housing Australia's independence as a corporate Commonwealth entity (CCE), and the roles of its Board and Executive leadership in the operation and stewardship of the organisation.

We expect Housing Australia to adhere to the highest standards of governance, performance, transparency and accountability. All investment made by Housing Australia must have a clear legislative basis and align with the Government's key priorities, including but not limited to priorities articulated in this Statement.

1. Purpose and Objectives

Housing supply and affordability continues to impact many Australians. As set in the legislative framework, the purpose of Housing Australia is to improve housing outcomes by helping more Australians access affordable, safe and secure housing.

Housing Australia plays a key role as the Government's national housing authority. The Government has given Housing Australia responsibility for delivering key programs in the Government's housing agenda including increasing the supply of social and affordable housing and supporting pathways to home ownership.

2. Key role

Housing Australia delivers on key programs in the Government's housing agenda by providing finance to support additional social and affordable housing, delivering programs to support home ownership, and strengthening the capabilities of the community housing sector.

Given Housing Australia's significant role in delivering the Government's housing agenda, Housing Australia is expected to be well positioned to prioritise:

- Program Delivery: Ensuring the delivery of programs is efficient, effective, timely and delivers against the Government's key policy, legislative and financial priorities.
- Program Performance: Supporting the Ministers' oversight of the performance of its programs and achievement towards its Corporate Plan, the Government's policy objectives and compliance with this Statement. This includes timely and accurate data collection, analysis and reporting to the Ministers, Treasury and the Department of Finance.
- Operations: Appropriate organisational capability and governance to administer and deliver Housing Australia's programs, including effective management of human and financial resources.

3. Working with Government

The Minister for Housing, Minister for Homelessness and Minister for Cities is responsible for appointing members to the Housing Australia Board and issuing directions of Housing Australia's functions.

We expect Housing Australia to keep us and our agencies informed, in a timely and accurate manner, of significant matters relating to Housing Australia. This includes:

- Outcomes of Board meetings including outlining the key deliberations and details of any significant decisions through a written report within 10 business days of each meeting.
- Regular updates on its achievements and performance towards the Government's policy objectives and compliance with this Statement.
- Regular reporting on program performance as required by the Investment Mandate such as the Housing Australia Future Fund quarterly report and the National Housing Infrastructure Facility quarterly report. More detailed and more frequent reporting on all programs administered by Housing Australia is also strongly encouraged.
- Providing biannual Specialist Investment Vehicle (SIV) Portfolio dashboard reporting and working constructively with Treasury and the Department of Finance.
- Advising us of changes to key management personnel and any material changes to Housing Australia's operating environment. This includes notifying the responsible Ministers of any material change and providing a Board and Executive skills matrix that assesses the appropriateness of the Board and Executive management to the responsible Ministers annually or in the event of a material change.
- Housing Australia's publications, submissions, major speeches, media releases and any other matters of significant interest for which the Government is accountable.

We also expect timely, accurate and collaborative provision of information when requested, by us or our agencies, to support provision of advice to the Government. This is consistent with Housing Australia's duty under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to keep the responsible Minister and Finance Minister informed, among other obligations.

4. Governance and operations

As a CCE, Housing Australia is expected to comply with accountability, management, performance and reporting requirements specified in the PGPA Act. This means:

- Housing Australia is governed in a transparent and accountable way that promotes the proper use of public resources, the achievement of its purpose and its financial sustainability.
- Setting remuneration structures that are transparent, appropriately aligned to key performance indicators and justifiable to the Parliament and the Australian public.
- Administering all programs in a manner that ensures ongoing integrity, equity and transparency including regularly communicating progress to all levels of stakeholders.

To support the main priorities of delivering on its programs and adhering to the PGPA Act, we expect Housing Australia to exhibit the following key operational and governance attributes that are also demonstrated by other high performing SIVs:

- Financial management and investment: Making financial decisions in a way that is merit based, transparent, well documented, and subject to commercial discipline and an appropriate level of risk while having regard to the Government's priority.
- Risk management: Continue to embed and sustain a culture of transparency, accountability and integrity that underpins decision-making, and embed mature systems of risk management, record keeping and internal controls.
- People management: Manage the affairs and people of Housing Australia to the highest standards, in accordance with all applicable legislation including the PGPA Act and actively support employee engagement, wellbeing, and capability to support a high-performance culture.
- Stakeholder collaboration: Regularly and openly collaborate and cooperate with key stakeholders, including priority cohorts, where practical and appropriate, to pursue common objectives. This includes:
 - Collaborating with Commonwealth agencies and all levels of government, the community housing sector, investors and the construction sector to ensure the organisation will deliver optimal housing outcomes.
 - Seeking and considering the views of organisations which have the primary purpose of improving, directly or indirectly, housing outcomes for Aboriginal or Torres Strait Islander people.
 - Considering the Commonwealth's broader financial exposure when entering into investments with, or collaborating and cooperating with, other Commonwealth entities so as to not overcommit the Commonwealth within a particular proponent or investment.
- Environmental, Social and Governance (ESG): Continue to be guided by an ESG framework to support sustainable activity. This includes:
 - identifying opportunities to support the orderly and positive net zero economic transformation of Australia, its regions, industries, workers and communities transition to net zero emission; or
 - making reasonable efforts to ensure equitable support across Australia.

5. Application of this Statement

This Statement replaces the previous Statement issued on 25 March 2024 and applies from the date of receipt by Housing Australia until otherwise amended. In addition to the requirement under the PGPA Act, we expect this Statement to be integrated into Housing Australia's performance reporting processes as part of corporate planning as well as the Annual Reports.

We look forward to receiving Housing Australia's Statement of Intent in reply, outlining how Housing Australia proposes to meet these expectations. Housing Australia should clearly outline how it intends to take into account the Government's policy priorities and objectives, and how it will demonstrate delivery against all expectations outlined in this correspondence.

Housing Australia should ensure that both this Statement and the Statement of Intent are made publicly available on your website.

We look forward to continuing to work with Housing Australia to deliver the Government's housing agenda.