



# Productivity Commission Review of the National Housing and Homelessness Agreement

## Queensland Government Submission

March 2022

## Introduction

The Queensland Government welcomes the opportunity to provide a submission to this review of the National Housing and Homelessness Agreement (NHHA) by the Commonwealth Productivity Commission (the Review).

The role of the NHHA or future funding arrangements for housing and homelessness services will be critical in addressing unprecedented pressures on our housing markets. Housing and homelessness are matters of national significance and safe, secure and affordable housing underpins social, economic and public health outcomes across Queensland.

The funding delivered under the NHHA is critical to improving housing outcomes in Queensland. Around \$1.6 billion is provided over the five years of Queensland's bilateral schedule from 2018-19 to 2022-23. Funding contributes to housing and homelessness services that provide for the safety, security, dignity and economic participation of people in this State, including for many vulnerable and disadvantaged Queenslanders. Funding under the NHHA represents a significant portion of total funding in Queensland, with the \$333.7 million of funding in 2021-22 comprising over a quarter of the \$1.25 billion in revenue for Housing and Homelessness Services in the Department of Communities, Housing and Digital Economy.

Funds administered under the NHHA contribute to delivery of core housing and homelessness services as well as operation of the social housing system, and underpin the five-year funding agreements Queensland has locked in to provide homelessness service providers with the certainty and stability required to deliver vital support services and drive innovation.

The NHHA also supports implementation of the Queensland Housing Strategy 2017-2027, Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 and Queensland Housing and Homelessness Action Plan 2021-2025.

Queensland has met its responsibilities under the NHHA and has taken additional action to meet the significant challenges presented by unprecedented demand, affordability, workforce and supply challenges and has committed record funding to an ambitious range of initiatives under the Queensland Housing Strategy 2017-2027. Queensland's Housing and Homelessness Action Plan 2021-2025 is backed by a \$1.908 billion investment over four years, including \$1.813 billion to deliver 6,365 new social housing commencements by 30 June 2025, and the establishment of a \$1 billion Housing Investment Fund to provide a funding stream for new housing supply.

However, Australian Government funding to Queensland for housing and homelessness, including remote Aboriginal and Torres Strait Islander housing, has declined from a peak of \$429.3 million in 2018-19 to the Commonwealth Budget projections in 2021-22 of \$332.2 million in 2023-24.

Queensland brings to the attention of the Productivity Commission the following as key considerations for the review of the NHHA.

### **Key considerations for the Review and *outcomes sought***

- 1) Funding certainty is important to support strategic priorities under the Queensland Housing Strategy 2017-2027 and funding flexibility is vital to enable responses to emerging priorities.

*Queensland recommends that the Australian Government consider the importance of future funding arrangements and alignment with the Federation Funding Agreements Framework, giving states and territories discretion to prioritise funding according to the needs of their jurisdiction and providing certainty for ongoing service provision. At least five-years of certainty is sought.*

- 2) Sufficiency of Australian Government funding under the NHHA is not included in the Terms of Reference, but is vital to improvements under National Performance Indicators, and other factors that impact on housing and homelessness need.

*Queensland seeks increased Australian Government funding for housing and homelessness commensurate with need, or at minimum, that the funding provided be proportionate to outcomes sought. In recognition of factors outside the control of states and territories that impact on housing and homelessness, it is inappropriate that funding be outcomes-based.*

*The methodology for calculation of funding should reflect current population growth estimates, Australian Bureau of Statistics Census homelessness and overcrowding data, and take account of the cost of service delivery in a geographically dispersed state like Queensland.*

- 3) In considering funding sufficiency, the impact of the disparity and inequity created by the lost Australian Government funding streams should be examined, including for remote Indigenous housing; forgiveness of historical debt to only some Australian states; and the failure of the Australian Government to commit to provide Social and Community Services supplementation equivalent funding from 2023-24 to support wage costs of vital workers in the housing and homelessness sector.

*Queensland seeks that the Australian Government:*

- Provide ongoing funding equivalent to the former Social and Community Sector wages supplementation, given wage costs remain unchanged;*
- Forgive Queensland's historical Commonwealth housing loan debts, as has been done for some other jurisdictions, which would enable Queensland to redirect these payments to new housing supply; and*
- Provide ongoing funding for Aboriginal and Torres Strait Islander housing at levels that will achieve or surpass the Closing the Gap target, noting all targeted Australian Government support for remote Aboriginal and Torres Strait Islander housing in Queensland ceased in 2020-21, despite its continuation in the Northern Territory.*

- 4) Consideration should be given to the impact of the Australian Government not committing to use the taxation, income support and policy levers at its disposal to achieve NHHA outcomes. In particular, the discontinuation of the National Rental Affordability Scheme (NRAS), and the need for increased commitments to respond to rising housing affordability pressures should be considered.

*Queensland seeks that the Australian Government commit to using the taxation, income support and policy levers at its disposal to achieve improved housing and homelessness outcomes. Particularly, the Australian Government should commission an independent review of the rates and indexation of Commonwealth Rent Assistance, and increase income support rates, noting their proven improvements to housing affordability outcomes.*

*Queensland also seeks that the Australian Government continue the National Rental Affordability Scheme, or an alternative scheme to achieve affordable housing outcomes, noting the discontinuation of NRAS is expected to adversely affect around 10,000 low-to-medium income Queensland households, who will likely face a return to paying market rents.*

- 5) Consideration should be given to the potential impact of the timing of expiry of the NHHA's Bilateral schedules on 30 June 2023. Considerations include certainty of funding arrangements to ensure no disruption to service delivery or erosion of workforce stability. If a wholly new

agreement were contemplated, under the present terms of the NHA the Australian Government would need to notify of their intention to withdraw the agreement by 30 June 2022, after the release of the Review Report.

*In the event that the ongoing NHA multilateral agreement is withdrawn or replaced, the Queensland Government seeks that:*

- Sufficient time is provided for the development and negotiation of a new agreement;*
- Appropriate consultation and negotiation is undertaken with states and territories to arrive at agreement, rather than changes being unilaterally legislated by the Commonwealth (as was done to facilitate introduction of the NHA); and*
- Funding certainty is provided during and beyond negotiations to ensure no disruption to delivery of the Queensland Housing Strategy 2017-2027.*

- 6) Consideration should be given to the administrative impost of duplicative NHA reporting requirements and note that limitations in the data available to evaluate the NHA to date have been outside the control of states and territories.

*Queensland seeks that reporting requirements minimise duplication, better harness existing reporting and minimise the administrative impost of the NHA. The need for any additional data development should be weighed against the potential impact of redirecting funding from service delivery to data development.*

## **The Queensland context**

### ***Queensland Housing Strategy***

The Queensland Housing Strategy 2017-2027 (the Housing Strategy) sets out the 10-year vision for the state's housing system and the Queensland Government's commitment to making sure all Queenslanders have a pathway to safe, secure and affordable housing. The Housing Strategy represents the state's approach to improving outcomes across the housing continuum. Delivered through multiple action plans, the Housing Strategy drives new ways of working across government and the housing and homelessness sector, delivering more social and affordable homes and an integrated system where people can access housing with support according to their needs.

In the first four years of the Housing Strategy, the Queensland Government started building 2,480 new social housing homes, with 1,681 completed by 30 June 2021. This includes 1,200 new homes agreed to commence in partnership with the community housing sector, supported by more than \$158 million in government investment.

On 15 June 2021, the Queensland Government launched the Queensland Housing and Homelessness Action Plan 2021-2025 (the Action Plan) – a four year plan to deliver the next stage of the Housing Strategy. The Action Plan is backed by a \$1.908 billion investment including \$1.813 billion to deliver 6,365 new social housing commencements by 30 June 2025 and the establishment of a \$1 billion Housing Investment Fund to provide a funding stream for new housing supply.

The Action Plan also includes priority actions for driving better integration of services across government and the non-government sector, dedicated actions towards ending homelessness, and measures for promoting fairness and accessibility in the housing sector. The Action Plan supports the Queensland Government's continued commitment to deliver essential frontline services and provide enhanced housing and support options for vulnerable people and address homelessness with an investment of \$94.9 million over four years.

The Action Plan supports and complements the Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 and implements the Queensland Government's commitment to working towards better housing outcomes for Aboriginal and Torres Strait Islander Queenslanders.

Through the Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023, the Queensland Government is partnering with Aboriginal and Torres Strait Islander peoples to strengthen joint decision-making and enable community-led, place-based housing responses across urban, regional and remote settings. In the absence of additional Australian Government funding for remote housing, the Queensland Government is investing \$898 million over four years from 2019 to 2023 to improve housing outcomes for Aboriginal and Torres Strait Islander Queenslanders, including \$728.3 million in remote communities that incorporates a \$40 million capital program.

Queensland's Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 provides the policy framework for Queensland's approach to improving housing outcomes for First Nations Queenslanders, and puts local decision making at the heart of culturally responsive housing and homelessness investment and service design. In partnership with communities, local housing plans are being developed in urban, regional, remote and discrete communities to identify local needs and priorities, including strategies to reduce homelessness.

Under the Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023, a new body called Aboriginal and Torres Strait Islander Housing Queensland was established in 2021 as the professional peak representative body for Aboriginal and Torres Strait Islander community housing providers in Queensland.

In 2021-22, Australian Government funding of \$333.7 million was provided under the NHHA which comprises over a quarter of the \$1.25 billion Queensland Government expenditure for housing and homelessness services delivered by the Department of Communities, Housing and Digital Economy. Financial reporting on the NHHA shows that in 2019-20 and 2020-21, Queensland Government expenditure on housing and homelessness exceeded the amount of the fully expended Australian Government NHHA funding.

### ***The Queensland housing market***

Across Queensland, housing affordability is a major state-wide issue, with historically low vacancy rates in all areas, rental prices rising steeply in many locations, home purchase prices continuing to grow, and more people on low and moderate incomes experiencing severe housing stress. Housing affordability has been an issue in Queensland for decades, yet the current market conditions and their impacts are, by all measures, historically exceptional.

There is a shortage of rental vacancies: almost three quarters (72 per cent) of Local Government Areas in Queensland have private rental market vacancy rates below one per cent as at December 2021, including Queensland's most populous cities and regional centres (a market is considered 'tight' below 2.5 per cent). Rental prices are rising: the median rent for a three-bedroom house in Queensland increased 9.3 per cent between December 2020 and December 2021 to \$410 per week (Queensland Government Statistician's Office, derived from Residential Tenancies Authority rental bond data). Throughout the pandemic, dwelling prices surged in response to record low interest rates, generous government stimulus measures and strong housing market sentiment. In Brisbane, prices grew by 39.5 per cent compared with the pre-pandemic level of March 2020 (CoreLogic data for January 2022). First home buyers are now facing challenges accessing the market and are committing to exceptional levels of mortgage debt. As fewer people can transition from renting to home ownership, the rental market has become congested, and those on lower incomes are 'priced out' of the market.

Net interstate migration over the year to 30 June 2021 rose to its highest level since 2005 and CoreLogic have noted that the interstate migration has heavily influenced the positivity of the property market in Queensland and has a strong relationship with purchasing activity ([www.reiq.com/articles/interstate-migration](http://www.reiq.com/articles/interstate-migration)). Other pressures, such as increased construction costs and supply chain impacts, continue to challenge the market's ability to respond to this demand.

Demand for housing assistance has risen year on year, with the number of applications on the Queensland Housing Register increasing by just over 85 per cent since 2016 (at June 2021). The social and economic impacts of the pandemic have triggered a 10 per cent increase in social housing applications between March 2020 and June 2021. As at 30 June 2021, there were 27,933 eligible applications on the housing register, with 87 per cent assessed as having very high or high need, compared with 80.5 per cent of eligible application in high or very high need at 30 June 2020.

The Queensland Government recognises that many other forms of support can be provided to assist households – not just social housing. Through the Queensland Housing Strategy 2017-2027, the department has improved its intake and assessment approach to better understand people's circumstances, matching people with more targeted solutions to their immediate and longer-term housing needs, such as private market products and assistance. The department takes a person-centred approach to providing housing support, including providing over 205,000 forms of housing assistance in 2020-21, including emergency housing, social housing and private market assistance, whilst allowing many households to remain on the Queensland Housing Register as a safety net.

### ***Effective use of funding***

Whilst Queensland has delivered record investment in housing supply, including through establishment of the Housing Investment Fund, structural factors continue to drive up costs, and see revenue decline. These factors are principally driven by increased targeting over the past 20 years of services to those in greatest need who primarily derive household incomes from Commonwealth support payments, with base rates that have not increased in over two decades (excepting the temporary COVID-19 supplements, now withdrawn); rising capital expenditure associated with an ageing \$16 billion social housing portfolio; and declining federal funding for housing and homelessness against a backdrop of increasing demand and complexity of demand.

Queensland's record investment under the Housing and Homelessness Action Plan 2021-25 addresses some of these challenges, however further investment from the Australian Government, local governments and industry is needed.

The Queensland Government has established the \$1 billion Housing Investment Fund (HIF) to deliver 3600 social housing commencements over the next four years and additional affordable housing. This initial investment will be maintained over time, with earnings reinvested in new social housing supply. Queensland's HIF enables strategic partnerships between the state and a wide range of potential participants such as the Australian Government, local governments, community housing providers, private developers, institutional investors, and not-for-profit partners, either individually or as a group. The state's financial investment will be leveraged to draw in additional investors to deliver more social and affordable homes by enabling community housing providers to access financing opportunities and also enables the department to identify, leverage, and manage under-utilised government land to achieve more social housing outcomes. This partnership approach provides flexibility to deliver projects that meet local needs, and encourage a mix of community housing, homelessness accommodation, and mixed-use developments to be funded to support local need and maximise site-specific opportunities.

Data from recently released 2022 Report on Government Services (RoGS) shows the Queensland Government is providing homes for those in the greatest need, and achieving high rates of customer satisfaction, and maintaining high standards of dwelling condition.

Queensland's tenants of social rental housing continue to report high levels of satisfaction with housing services. In 2021, Queensland's Public Housing (PH) and State-owned and Managed Indigenous Housing (SOMIH) customers continued to report the highest satisfaction levels (83.1 per cent and 79.8 per cent respectively) with overall service provided, across jurisdictions. Community Housing (CH) customers reported the second highest satisfaction level (81.5 per cent) with the overall service provided, across jurisdictions, putting Queensland well above the national average (71.9 per cent, 64.5 per cent and 76.4 per cent respectively). Queensland social rental households with a member with a disability also reported the highest level of satisfaction across all three categories (78.2 per cent, 71.4 per cent and 77.0 per cent respectively) across jurisdictions, putting Queensland well above the national average (62.7 per cent, 54.7 per cent and 68.2 per cent respectively).

Queensland continues to achieve high standards of dwelling condition, which reflect an asset management regime underpinned by regular inspections, and planned and responsive maintenance and upgrades. In 2021, dwelling condition in Queensland for PH (86.2 per cent) was the highest across all jurisdictions, SOMIH (71.0 per cent) was the second highest across four jurisdictions for which data is available, and CH (87.2 per cent) was the second highest across seven jurisdictions for which data is available. This places Queensland above the national average for each of these programs (76.0 per cent, 63.7 per cent and 81.9 per cent respectively).

Queensland consistently achieves high rates of targeting social housing allocations to those in greatest need, with the rate of public housing allocations increasing by 2.2 per cent from 96.1 per cent in 2019-20 to 98.3 per cent in 2020-21. Technology improvements delivered through 2020-21 enabled enhanced customer information, and ensured improved targeting to households with higher and more complex need ahead of people with lower, less complex needs.

### ***Relative cost of service delivery including decentralisation and disadvantage***

Queensland is Australia's most decentralised state, with highly dispersed population centres and multiple regional economies. Queensland's regionalised nature creates unique challenges not faced by other jurisdictions in delivering housing and housing assistance. Unique to Queensland is that social housing is delivered and maintained on islands. Significant additional costs are associated with regional land development, construction, maintenance and upgrades, and service delivery.

Queensland has the second highest population of First Nations people and Queensland has seven of the top ten most disadvantaged postcodes in the country, including Cherbourg, Aurukun, Yarrabah, Woorabinda, Doomadgee, Napranum and Palm Island (Australian Bureau of Statistics 2016 Census of Population and Housing).

The majority of Aboriginal and Torres Strait Islander Queenslanders live in urban and regional areas and Aboriginal and Torres Strait Islander Queenslanders are over-represented in social housing and homelessness. Queensland's engagement with Aboriginal and Torres Strait Islander people recognises the need for culturally appropriate services and that mainstream service provision is not appropriate.

The NHHA funding methodology does not take into account service delivery challenges in a decentralised state with a high population of Aboriginal and Torres Strait Islander people. Targeted funds are required to adequately support our First Nations people to address their housing needs.

### ***Impact of the COVID-19 pandemic and Queensland responses***

The strong foundations laid through the Queensland Housing Strategy 2017-2027 enabled an effective response to the housing challenges of COVID-19, with a focus on delivering head-leased housing responses along with specialised tenancy management and multi-agency supports.

Immediate funding was required and \$24.7 million was repurposed by the Queensland Government to deliver the COVID-19 Immediate Respond Fund. Leveraging the existing service integration approach, Queensland delivered additional brokerage services, outreach, rental grants to more than 3,200 households experiencing severe financial hardship as a result of COVID-19, and other support for people impacted by COVID-19.

The COVID-19 pandemic demonstrated the inadequacy of outdated congregate (shared facilities) accommodation models that do not enable individuals to self-isolate and highlighted the importance of addressing overcrowding to support health outcomes. The Queensland Government acted quickly to assist people experiencing homelessness and living in congregate settings into self-contained short-term accommodation. This safeguarded the health and wellbeing of this vulnerable group and helped to reduce the risk of outbreaks and community transmission.

The Emergency Housing Assistance Request tool was activated to support at-risk and vulnerable people who require emergency housing assistance to access appropriate accommodation. Across Queensland, since March 2020 more than 4,247 households (including families and individuals) were supported with emergency housing assistance and of those, over 2,552 households were assisted into longer-term accommodation, including social housing and private rentals and some reconnecting relationships with family and friends.



In April 2020, around 200 individuals from four congregate accommodation sites in Inner Brisbane were temporarily relocated to a site, leased to January 2021, to adhere to social distancing requirements, with around-the-clock support for over 350 individuals during this period. Residents were helped to transition to alternative accommodation with support. In the following six months to July 2021, 85 per cent of people who transitioned from the leased site with service provider supports in place had sustained their tenancy.

The Queensland Government also supported people impacted by COVID-19 in the private housing market. Special regulatory measures were quickly introduced to support tenants suffering excessive hardship to sustain their tenancies during the emergency period. This included extending fixed-term agreements, preventing evictions and tenancy database listings of rent arrears, and facilitating negotiated rent adjustments.

To support economic recovery, and in recognition of the continued demand for new social housing supply, in June 2020 the Queensland Government announced a further commitment of \$100 million for construction of 215 homes for vulnerable Queensland families as part of Queensland's Unite and Recover for Queensland Jobs plan.

Queensland's ongoing response to the COVID-19 pandemic demonstrates the importance of policy and funding flexibility, and ongoing funding certainty, to respond quickly to rapidly changing community needs.

## Foundational issues

### *Declining Australian Government funding for housing and homelessness*

The Queensland Government contends that housing and homelessness is a matter of national significance, critical to underpinning Australia's economic and social recovery from COVID-19, and a requisite foundation for ongoing public health outcomes. Safe, affordable and sustainable housing provides cost offsets to governments through reduced spending in other domains, from criminal justice and child safety to health, education and employment, and underpins social and economic participation.

While the NHHA is the primary instrument for the provision of Commonwealth funding to support states in the delivery of housing and homelessness services and programs, the effectiveness of the NHHA should be considered in the context of a fair distribution of total Commonwealth funding to states and territories for housing purposes.

The NHHA was negotiated in a broader funding context that included other, more targeted agreements, such as the National Partnership Agreement on Remote Indigenous Housing (NPAIH) from 2008-2016, the National Partnership on Remote Housing (NPRH) 2016-2018 and the Social and Community Services supplementation National Partnership Agreement (SACS).

Australian Government funding to Queensland for housing, homelessness and remote housing has declined overall since 2016-17 due to expiry of the NPRH and no commitment to NHHA SACS equivalent funding from 2023-24. Australian Government funding has declined from a peak of \$429.3 million in 2018-19 to the Commonwealth Budget projections in 2021-22 of \$332.2 million in 2023-24 (refer to Table 1).

**Table 1. Reduction in Commonwealth funding for housing, homelessness and remote housing**

Agreement \$M	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
NAHA	269.3	272.3	-	-	-	-	-	-
SACS NP (NAHA)	5.4	6.2	-	-	-	-	-	-
NPAH (including SACS)	28.7	29.4	-	-	-	-	-	-
NPRH	122.6	71	115.2					
Remote housing exit payment	-	-	-	5	100	-	-	-
NHHA (including SACS 2018-19 to 2020-21)	-	-	314.1	320.4	327.9	321.4	326.9	332.2
NHHA SACS offer (under negotiation)	-	-	-	-	-	12.3	12.8	-
<b>TOTAL</b>	<b>426</b>	<b>378.9</b>	<b>429.3</b>	<b>325.4</b>	<b>427.9</b>	<b>333.7</b>	<b>339.7</b>	<b>332.2</b>

### ***Queensland seeks ongoing funding for Aboriginal and Torres Strait Islander housing***

Renewed, ongoing funding to Queensland for remote housing outcomes is needed to support achievement of the Closing the Gap housing target.

Through NPARIH and NPRH, Queensland received \$1.126 billion in Commonwealth funding, and invested \$618 million in state-own funding to support remote housing outcomes. A reduction in overcrowding in remote Aboriginal and Torres Strait Islander areas from 47 per cent in 2007 to 25 per cent in 2016 was achieved.

The Australian Government's independent Remote Housing Review, published in October 2017, found that 1,100 new dwellings were required in Aboriginal and Torres Strait Islander local government areas across Queensland to address existing demand and respond to projected population growth to 2028 and recommended continued investment by federal and state governments.

However, the Australian Government offered small, one-off exit payments to Western Australia (\$121 million) and South Australia (\$37.5 million) and subsequently \$105 million to Queensland but has provided up to \$550 million over 5 years to the Northern Territory through a "National Partnership for Remote Housing Northern Territory" over 2018-23. The Queensland Government has reserved the right to negotiate with any future Australian Government for additional funding.

The National Agreement on Closing the Gap agreed on 30 July 2020 includes a state-wide target for the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized housing to increase from 78.9 per cent in 2016 to 88 per cent by 2031 from a baseline of 79.4 per cent in Queensland. Funding is not provided under this agreement to support achievement of this target.

Whilst the NHHA seeks 'improved housing outcomes for Indigenous Australians' (clause 15d), this has not been underpinned by additional funding in the NHHA.

The Queensland Government seeks ongoing Australian Government funding for Aboriginal and Torres Strait Islander housing, noting all targeted Australian Government support for remote Aboriginal and Torres Strait Islander housing in Queensland ceased in 2020-21, despite its continuation in the Northern Territory.

Outcomes under any future agreement should provide states with policy flexibility to support alignment with local approaches which can evolve over time, and acknowledge the need for self-determination in service design and delivery. Any agreement should support implementation of the Queensland's Government's approach to reframing relationships with First Nations peoples.

### ***Queensland seeks funding certainty for SACS***

SACS funding to support wage costs of vital workers in the housing and homelessness sector was included in the NHHA from 2018-19 to 2020-21 and is thereafter described in a footnote to the funding table as 'subject to a future Australian Government decision'. The Australian Government has offered Queensland NHHA SACS equivalent funding of \$25.1 million over 2021-22 and 2022-23, subject to reporting requirements, but has made no commitment to continuing this funding from 2023-24. This would result in an overall reduction in NHHA funding, reflected in 2021 Commonwealth Budget projections showing a decline in NHHA funding from \$339.7 million in 2022-23 to \$331.9 million in 2023-24, although wage costs remain unchanged.

In 2021, Homelessness Australia estimated the impact of a reduction in NHHA SACS funding to Queensland as equivalent to around 114 frontline workers from 2021-22 if the funding were not continued.

The 2012 Fair Work Commission decision resulting in wage supplementation acknowledged the role gender played in this female-dominated workforce being undervalued and underpaid. Queensland recognises the importance of funding certainty as key to achieving workforce continuity and seeks continued equivalent funding under the NHHA to support the homelessness sector workforce from 2023-24.

### ***Queensland seeks forgiveness of Commonwealth debt***

Queensland has an historical debt from Commonwealth loans used to construct social housing. As at 30 June 2021, Queensland is required to pay \$342.1 million, comprising principal of \$247.4 million and interest of \$94.7 million over the 21 remaining years of the loan. These repayments are drawn from the Queensland Housing Fund, thereby reducing the funding available under the NHHA for service delivery. Some of South Australia's debt was waived in 2012-13 and Tasmania's debt was entirely waived in 2019-20.

Queensland has advised the Commonwealth that forgiveness of Queensland's historical social housing debt would allow Queensland to construct additional social homes by redirecting payment of principal and interest over the life of the loan. Queensland has made multiple requests since July 2019 for the debt to be forgiven and has not received any response.

Queensland seeks equal treatment from the Australian Government in their forgiveness of historical Commonwealth housing loan debt and allow Queensland to redirect these payments to construction of new housing supply.

### ***Queensland seeks a meaningful funding methodology***

Funding within the NHHA is divided into four 'buckets' aligning with former agreements:

- General NHHA, equivalent to the former National Affordable Housing Agreement (NAHA);
- General SACS, equivalent to the amount in the former SACS National Partnership Agreement linked to NAHA;
- Homelessness, equivalent to the former National Partnership Agreement on Homelessness (NPAH); and
- Homelessness SACS, equivalent to the amount of SACS incorporated into the NPAH.

Similar to the NAHA, 'general' funding is able to be and is routinely expended on homelessness. Homelessness funding and homelessness SACS must be matched by the state and expended on homelessness, similar to the NPAH.

The two general funding components are allocated in accordance with share of total population, updated using Australian Bureau of Statistics population estimates, while the Homelessness funding is allocated to states in accordance with each state's share of total homelessness based on 2006 Australian Bureau of Statistics Census homelessness estimates.

However, the overall NHHA funding divided among states and territories increases only with indexation. The preservation of separate funding streams from former agreements and their distinct calculation methods in the NHHA bears no relationship to housing and homelessness need in each state and territory. For example, in real terms, the NHHA provided no additional funding for housing and homelessness, despite homelessness increasing by 14 per cent between the 2011 and 2016 Censuses. It also does not take into account the disparity and inequity created by the lost funding streams for remote Indigenous housing and forgiveness of historical debt to only some jurisdictions.

The methodology for allocating funding under the NHHA is not fair or meaningful, and any future funding arrangements should reasonably support governments to achieve the outcomes sought within the life of an agreement, considering projected levels of service demand, and costs of service

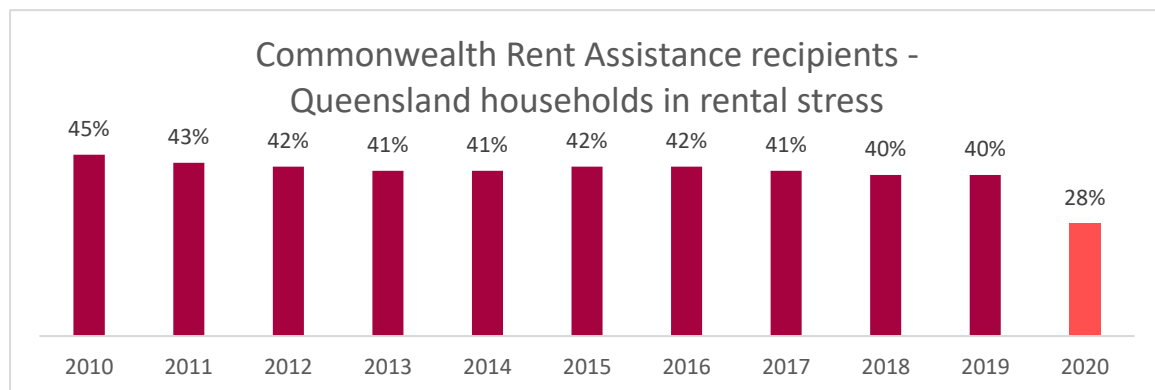
delivery in a large, decentralised state with a high population of Aboriginal and Torres Strait Islander people.

### ***Australian Government inaction on housing and homelessness outcomes***

The Australian Government does not commit to its own housing or homelessness policy within the NHHA or use the taxation and other policy levers at its disposal to achieve the agreement's outcomes. Clause 5 of the NHHA notes that Commonwealth tax settings and income support impact the housing market, but are outside scope of the agreement. The Queensland Government has repeatedly called on the Australian Government to commit to action to improve housing and homelessness outcomes.

The Australian Government's ability to influence housing affordability through income support is demonstrated through Australian Institute of Housing Welfare (AIHW) data, which shows that COVID-19 supplements provided to Commonwealth Rent Assistance (CRA) recipients, now withdrawn, lifted vulnerable households out of rental distress. CRA recipients in rental stress declined from 40 per cent in 2019 to 28 per cent in 2020 through Australian Government influence (AIHW Housing Assistance in Australia 2021, Financial Assistance, Table CRA.4).

*Table 1. AIHW Housing Assistance in Australia 2021, Financial Assistance, Table CRA.4*



NRAS is a joint Commonwealth-State housing supply initiative commenced in 2008 to increase the supply of new affordable homes by providing a financial incentive for up to 10 years to eligible providers to rent dwellings at a 20 per cent discount from the market rate. At the peak of the program, Queensland had 10,277 properties under NRAS, around 30 per cent of the national total. 1,588 properties have exited the program as at 31 December 2021 and the majority of properties (5,565) will exit the scheme between 2022 and 2024.

The Australian Government's decision to discontinue NRAS is expected to adversely affect around 10,000 low-to-medium income Queensland households, who will face a return to paying market rents. The expiry of NRAS incentives will impact the quantum of affordable rental dwellings available in Queensland at a time of escalating demand from interstate migration, and significant pressure on local housing markets, with rising house prices and very low vacancy rates. The cessation of NRAS will place further pressure on government assistance for those in the private rental market experiencing housing stress. Approximately 60 per cent of tenants living in remaining NRAS dwellings would be eligible for social housing and classified as having a high and complex need for assistance.

The Australian Government points to the establishment of the National Housing Finance and Investment Corporation (NHFIC), introduced as part of a suite of housing affordability measures in the 2017-18 Federal Budget, as its response to housing affordability. However, the August 2021 Review of the *National Housing Finance and Investment Corporation Act 2018* (CTH) identified that \$290 billion is required over 20 years to meet the current shortfall in social and affordable housing.

NHFIC provides low-cost, longer-tenure loans for community housing providers through the issue of Australian Government-guaranteed social bonds for investors, to support provision of new social and affordable housing and financing for new housing infrastructure projects.

NHFIC support through the Affordable Housing Bond Aggregator (AHBA) was capped at \$3 billion on its guaranteed liabilities, and on current forecasts, it was anticipated the cap would be reached during 2021–22. Increase of the cap to \$3.5 billion to support an extra 2,500 affordable dwellings was announced as part of the Mid-Year Economic and Fiscal Outlook on 16 December 2021, and may enable further investment in Queensland. However, Queensland registered community housing providers currently represent only an estimated 5 per cent (\$125 million) of the total value of existing AHBA loans.

The Australian Government also established the National Housing Infrastructure Facility (NHIF), a \$1 billion facility that provides finance for eligible infrastructure projects and offers concessional loans, grants and equity finance to support the provision of new housing. The NHIF is also reaching capacity, with the Facility's Corporate Plan 2021-22 indicating that \$800 million of the \$1 billion Permanent Fund and grants have been appropriated.

The Australian Government responded to the review of the National Regulatory System for Community Housing (NRSCH) which concluded in 2021, by advising that it did not intend to lead further reform of the NRSCH. The NRSCH is a national scheme administered by participating jurisdictions, and reform directions could further improve the growth and capability of community housing providers, and enhance capacity to attract institutional investment for much-needed supply.

The Australian Government not committing to its own actions to improve housing outcomes reduces the degree to which the agreement's objectives can be met, and Commonwealth taxation, income support and policy settings effectively work at cross purposes to the agreement, escalating housing stress and demand for housing assistance.

## Impact of the NHHA

### *The extent to which the NHHA is achieving its purpose, objectives and outcomes*

Queensland's concerns regarding the purpose, objective and outcomes of the NHHA primarily relate to the disconnect between the aspirational nature of the agreement, the many factors beyond the scope of the agreement that influence housing and homelessness outcomes, and the expectation of improved performance in the absence of increased Australian Government funding.

The NHHA did not provide an increase in funding for housing and homelessness in real terms when compared with the two agreements it directly replaced, and its National Performance Indicators (NPIs) place an expectation on improved performance in the absence of increased funding.

Introduction of the NHHA secured improved funding certainty for homelessness, with funding provided for over the five years from 2018 to 2023, following successive, time-limited partnership agreements which were disruptive to service delivery. Increased security of homelessness funding has enabled Queensland to enter into five-year funding agreements with existing homelessness services providers, providing increased workforce stability and planning.

The NHHA acknowledges that housing markets are influenced by a wide range of economic and social factors outside the scope of the Agreement. Housing market outcomes are also challenging to monitor at a national level, given wide variation in local market conditions.

Whilst agreement outcomes are aspirational in nature, they expand into areas not directly relatable to the objective, including the broader housing market, which governments have least control over. Whilst the outcomes are framed as national, they largely refer to state-based systems, with social housing and homelessness service systems operating uniquely in different states, based on each jurisdiction's particular needs and strategies. This framing diminishes the degree to which performance can be meaningfully compared. Both levels of government play a role in facilitating affordable housing options for people on low to moderate incomes, and improved housing outcomes for First Nations peoples.<sup>1</sup>

Queensland's views as to how the purpose of any future agreement might more appropriately address its objectives and outcomes are that:

- agreement objectives and outcomes should relate well to funding and policy inputs controlled by parties to that agreement;
- the agreement should also include a logic connecting the inputs and outputs of the agreement, and the objectives and outcomes should be achievable within the funding provided under the agreement, or limitations in this regard otherwise recognised by the agreement;
- where outcomes are influenced by factors outside the control of governments, the agreement should acknowledge these factors, particularly as some settings may be considered to be working at cross purposes to agreement outcomes; and
- because of these factors outside the control of state governments, agreement funding should not be contingent on achievement of outcomes.

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<sup>1</sup> The Commonwealth Government has responsibility for leadership and coordination of Commonwealth policy development, program design and implementation and service delivery for Aboriginal and Torres Strait Islander peoples, including leading the development and implementation of Closing the Gap targets in partnership with First Nations peoples. The Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 provides the Queensland Government's framework for improving housing outcomes for First Nations Queenslanders.

### ***Attribution of outcomes achieved under the NHHA***

Annual reporting against Queensland's Bilateral Schedule E3 and Statements of Assurance broadly demonstrate that the funding provided under the NHHA is being expended in alignment with agreement objectives.

However, in Queensland the NHHA funding contributes only about a third of total revenue for state funded and provided housing and homelessness services. State-own revenue and rent comprise the main additional funding sources, with revenue pooled in the Queensland Housing Fund. Outcomes achieved with NHHA funding are therefore not distinguishable from housing outcomes funded by the state.

The programs and policies set out under the state and territory housing and homelessness strategies are required to address the objectives and outcomes of the NHHA as a condition of funding, and their continued implementation demonstrated in annual reports. Queensland's publicly available housing and homelessness strategies that meet the NHHA funding criteria are entirely comprised of existing strategy, policy and planning legislation<sup>2</sup> (Schedule E3, clause 15), and as such, the requirements of the NHHA were largely an administrative impost for Queensland, rather than an impetus for policy reform or a mechanism for improved outcomes. Similarly, the statements of assurance are largely duplicative, drawing from existing internal and public financial reporting.

### ***Conditions of funding***

The funding requirements of the NHHA (clauses 17-21, and legislated through the *Federal Financial Relations Act 2009, section 15C*) are highly prescriptive, represent overreach into areas of state responsibility and have resulted in duplication of reporting. The funding conditions have little bearing on achievement of NHHA outcomes. Any future agreement should be less prescriptive and reduce the administrative burden on states and territories to facilitate the continued implementation of state housing policy. Queensland also considers that funding needs to remain untied, and not be performance or activity based, to facilitate the discretion of states in allocating funding to strategic and emerging priorities.

This approach would align with the Federation Funding Agreements Framework agreed by National Cabinet, including Principle 4 'Budget autonomy and greater flexibility: New agreements will provide states with budget autonomy and flexibility, where practical, to deliver services and infrastructure in a way that they consider will most effectively and efficiently improve outcomes for Australians' and Principle 5 'Funding certainty: New agreements that fund ongoing services will provide states with funding certainty where possible'.

### ***Governance arrangements***

Governance for negotiation, agreement and implementation of the NHHA involved: the Council of Australian Governments (COAG), the Council on Federal Financial Relations, Heads of Treasuries, Deputy Heads of Treasuries, individual state and territory housing and homelessness Ministers and the Housing and Homelessness Senior Officials' Network (HHSON).

COAG has since been replaced with National Cabinet through the August 2020 National Federation Reform process and the associated Review of COAG Councils and Ministerial Forums disbanding the Housing and Homelessness Ministers' Meeting and supporting structures, including HHSON. HHSON

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<sup>2</sup> The *State Planning Policy, Planning Act 2016, ShapingSEQ - South East Queensland Regional Plan 2017, State Infrastructure Plan, Queensland Housing Strategy 2017-2027* and the *Queensland Housing Strategy 2017-2020 Action Plan* form the publicly available housing strategy that meets the requirements of s.15C of the FFR Act.



had a formal role within the NHHA relating to oversight of the Data Improvement Plan (DIP) that forms Schedule E to the NHHA, and there is no formal group currently performing this role.

There is no clear governance in place to enable negotiation of a response to the outcomes of the Review, or greater national consistency across any future Bilateral schedules to the NHHA or DIP, noting that these and the multilateral DIP expire on 30 June 2023.

The new National Federation Funding Arrangements call for negotiation of new agreements to be led by Treasuries, supported by the establishment of time-limited national governance groups. The Queensland Government seeks that Housing and Homelessness Ministers be formally represented in national governance arrangements relating to the negotiation of future housing and homelessness agreements.

### ***Effectiveness of the performance monitoring and reporting framework for measuring outcomes***

Queensland provides transparency and accountability in respect of housing and homelessness strategies, spending and outcomes through its contribution to national data collections and state specific reporting. There remains scope for improvements to national data collections that the NHHA reporting draws upon to achieve greater national consistency, but governance of these sits outside of the NHHA.

The NHHA seeks to measure performance against aspirational outcomes supported by funding under the Agreement, state own funding and Commonwealth Rent Assistance. There are flaws in the logic between the agreement's objective, outcomes and performance indicators, in the context of the agreement's policy and funding inputs.

Many of the NPIs are influenced by factors outside of the scope of the NHHA and outside the control of states and territories such as planning approvals, economic conditions, income, population growth and household formation rates, creating complexities with attributing change to funding and efforts by governments. It is difficult to adequately assess the contribution of the agreement to outcomes that have myriad influences.

Whilst the NHHA acknowledges it contributes to, rather than is responsible for, improved outcomes, the performance framework seeks to measure progress at the population level, without reference to other factors which influence outcomes.

For example, the outcome 'an effective homelessness service system, which responds to and supports people who are homeless or at risk of homelessness to achieve and maintain housing, and addresses the incidence and prevalence of homelessness' is partly linked to performance under the agreement (the service system responding well to people's needs) and partly influenced by broader factors unable to be achieved within the funding provided under the Agreement or levers held by governments (incidence and prevalence of homelessness, which are population level data points).

The agreement measures this outcome with performance indicators that seek population level change: 'a decrease in the number of people experiencing homelessness; a decrease in the number of people that experience repeat homelessness; an increase in the proportion of people who are at risk of homelessness that receive assistance to avoid homelessness; and an increase in the proportion of people who are homeless that are assisted to achieve housing'. A range of social and economic factors drive homelessness and impact the capacity for population-level change, and whilst these NPIs are worthy aspirations of governments, where greater progress is possible with requisite funding and policy effort and alignment, the funding and policy inputs to the agreement to enable improved achievement are currently lacking. It is therefore not reasonable to seek improved outcomes at the population level, unless these are underpinned by commensurate commitments from governments, and change can be reasonably attributed to government action.

The individually negotiated state and territory bilateral schedules agreed with the Commonwealth have resulted in nationally inconsistent reporting of expenditure for the first five years of the agreement. No nationally consistent methodology has been developed to underpin financial reporting under the NHHA, particularly with regard to division between housing and homelessness responses and spending on each national homelessness priority cohort. Definitions have not been developed to clarify what constitutes a housing response, and what constitutes a homelessness response, noting that a housing solution may be part of a homelessness response.

While the Commonwealth is required to produce an independent public report measuring the NPIs and benchmarks at least annually, only select NPIs are reported against and these all draw from existing RoGS and the AIHW's Housing Assistance in Australia reports. Data development and collections are being developed for some NPIs through the DIP that forms Schedule E to the NHHA. As data for all NPIs is not currently available, the capacity for the collection of NPIs to provide the right information to assess performance against the objective and outcomes is unable to be properly assessed.

The NHHA requires the provision of annual Statements of Assurance (SoA), confirming that a jurisdiction meets the funding requirements, and setting out state and Commonwealth expenditure on housing and homelessness, including homelessness priority cohorts, as a condition of funding. Whilst the Commonwealth has sought to align SoA reporting with the RoGS, expenditure on social housing and homelessness as represented in the SoA and RoGS are likely to differ.

RoGS provides more nationally consistent data achieved via detailed itemised collection instructions, guidelines and definitions for each expenditure data item, while the SoA is not supported by a data collection guide to achieve a result consistent with RoGS or nationally consistent reporting that enables meaningful comparison of SoAs. Improvements in these areas would enable national consistency of reporting under the NHHA and ensure alignment with other reported housing data.

The NHHA has resulted in duplication of reporting by the Queensland Government, rather than improved transparency and accountability. Queensland already makes publicly available extensive, nationally consistent reporting through contributions to the AIHW Specialist Homelessness Services Collection, and RoGS. Queensland also provides substantial reporting on its delivery of housing and homelessness services through the Annual Report on its bilateral schedule to the NHHA, departmental Annual Reports, Service Delivery Statements, and the Queensland Government Open Data portal. Queensland seeks that future reporting requirements harness and align with existing reporting where possible, to improve alignment and minimise administrative impost.

### ***Effectiveness of NHHA data improvement outputs***

As a condition of funding, the Commonwealth and states and territories were required to agree a new schedule to the NHHA by 30 June 2019 in the form of a work plan to be developed through a process outlined in Schedule C to the NHHA and the interjurisdictional Housing and Homelessness Data Working Group (HHDWG) it created. Queensland actively participated in the development of this DIP through the HHDWG chaired by the Commonwealth Department of Social Services (DSS). Development of the DIP was substantially delayed, and the Australian Government committed to continuing to provide funding as long as discussions were constructive.

The DIP was agreed by the Council on Federal Financial Relations on 16 April 2021. The delays in developing and agreeing the DIP limit the available data to inform the review of the NHHA. Implementation of the DIP is ongoing, and any amendments to the ongoing multilateral agreement should consider data development work currently underway.

The need for any additional data development beyond the DIP and existing collections should be weighed against the potential impact of redirecting funding from service delivery to data

development, noting redirecting funding to data improvements reduces the available funding for housing and homelessness services.

### ***Future role of governments***

The Agreement acknowledges the role of local government in building approval processes, local urban planning and development approval processes and rates and charges that influence housing affordability, however local governments are not party to the agreement. Any future agreement should give states and territories discretion to prioritise policy according to the needs of their jurisdiction, including state regulation of local governments, and exclude local governments as parties to the agreement.

### ***A national housing strategy***

The Issues Paper highlights that many housing and homelessness stakeholder groups have called for a national housing strategy. A national housing strategy which sought new or enhanced outcomes would need to be underpinned by a commensurate amount of additional Australian Government funding to enable its implementation.

Queensland's participation in a national housing strategy would be predicated on alignment with Queensland's needs, a cost-benefit through additional Commonwealth funding to achieve national aims and commitment from the Australian Government to using their own tax and policy settings to improve housing and homelessness outcomes. A national strategy would also need to align with and complement the Queensland Housing Strategy 2017-2027 and associated action plans.

### ***Suitability of the housing and homelessness priority policy areas and homelessness priority cohorts***

The housing and homelessness priority policy areas (Schedule A) are to be incorporated into the state's housing strategies where appropriate to its needs, and acknowledgement is made that each state's housing and homelessness priorities and needs are unique and may change over time.

Queensland asserts the primacy of the Queensland Housing Strategy 2017-2027 in setting the priority policy housing and homelessness areas to be addressed by the state, whilst noting broad alignment with many of the priority policy areas identified in the NHHHA.

Homelessness priority cohorts must be addressed in the state's homelessness strategy as required by sub-section 15C(6) of the *Federal Financial Relations Act 2009* (CTH) (FFR Act). The NHHHA priority homelessness cohorts are largely consistent with Queensland's Partnering for Impact, which provides the framework for Queensland Government responses to the needs of people experiencing homelessness, including older people, young people, women, families and people with disabilities.

Were the priority homelessness cohorts or priority policy areas to be modified or expanded, such as to connect with existing national policy, including the National Agreement on Closing the Gap and Australia's Disability Strategy 2021-2031, achievement would need to be supported by appropriate levels of Australian Government funding, and avoid duplication via alignment of existing policy and actions.

### ***Planning and zoning reforms***

Queensland's bilateral schedule notes the State Planning Policy, the *Planning Act 2016*, ShapingSEQ - South East Queensland Regional Plan 2017, the State Infrastructure Plan, the Queensland Housing Strategy 2017-2027 and the Queensland Housing Strategy 2017-2020 Action Plan form the publicly available housing strategy that meets the requirements of section 15C of the FFR Act. Queensland's

bilateral schedule also notes how the various state planning instruments meet planning and zoning reform and initiatives as detailed under Schedule A.

The NHHA did not result in any new planning and zoning reforms or new land release strategies in Queensland.

Queensland's Economic Recovery Plan acknowledges that the pandemic will have substantial and long-lasting impacts on our economy and society. At this stage, the extent and duration of the impacts are unknown. As noted above, the impacts of the COVID-19 pandemic, as well as interstate migration, are adding more pressure to the housing market in Queensland. This has led to an increase in house prices and a reduction in housing affordability, tightening of the rental market and increased demand for social housing and for housing and homelessness services.

While planning systems play a key part, they are not solely responsible for, nor the sole answer to, addressing housing supply and affordability.

The Queensland Government has long been focused on improving the way in which the state's planning framework is addressing these issues, and recognises the need to have adequate supply of appropriately zoned and serviceable land; and a pipeline of approvals to allow for market flexibility.

Projects and initiatives already in place include:

- Tracking land supply and approvals across the South East Queensland region through the Growth Monitoring Program.
- The Housing Supply Expert Panel which oversees the Growth Monitoring Program and provides independent expert advice about how to appropriately manage land supply and housing affordability issues in South East Queensland.
- In March 2021, a specialist growth areas team was created to ensure Queensland can keep up with population growth and the demand for housing and infrastructure development that comes with it. This team has been tasked with pursuing new partnerships between developers, local government, utility providers and the state to support structure planning, infrastructure planning and infrastructure funding arrangements for new growth areas.
- The \$200 million Building Acceleration Fund which provides no-interest loans to local governments, developers and utility providers and enable them to afford the catalyst infrastructure necessary to deliver new development.

In September 2021, the Department of State Development, Infrastructure, Local Government and Planning, and the Department of Communities, Housing and Digital Economy made submissions to the House of Representatives Standing Committee on Tax and Revenue inquiry into housing affordability and supply in Australia. Both submissions address some of the matters raised by the Productivity Commission.

The Queensland Government is currently exploring the delivery of diverse, affordable and social housing through the planning framework under the Queensland Housing and Homelessness Action Plan 2021-2025.

## **Coordination on cross-sectoral national reform priorities**

Recognising that housing is a cross-sectoral issue influenced by both national and state-level tax, funding and policy settings, Queensland is committed to working with the Australian Government and states and territories to address systemic issues and concerns. Renewed focus and concerted action on housing and homelessness issues at the national level is needed to ensure a coordinated approach, adequacy of funding, and to harness integrated service opportunities that drive improved social outcomes.

The Issues Paper explores the notion of connecting Closing the Gap and Australia's Disability Strategy to a future agreement. Queensland supports improved integration of the NHHA with Closing the Gap and Australia's Disability Strategy, noting the well-evidenced need for improved housing outcomes for First Nations peoples and people with disability. However, Queensland cautions that this improved integration would require additional Australian Government funding if any future agreement were to broaden the outputs required. In addition, action by the Australian Government to facilitate increased availability of specialist disability accommodation (SDA) under the NDIS is critical, noting the finding of the Queensland Productivity Commission in the *NDIS Market in Queensland Final Report (April 2021)* that Queensland has the highest proportion of NDIS participants with SDA funding looking for an SDA dwelling.

Notably the draft National Plan to End Violence Against Women and Children also includes a priority action for jurisdictions to ensure access to housing, including social housing, for this priority cohort. These cross-sectoral reforms are not currently addressed within the NHHA and additional Australian Government funding would be required if any future agreement were to broaden the outputs required.

### ***Closing the Gap***

Renewed, ongoing funding to Queensland for Aboriginal and Torres Strait Islander housing outcomes is needed to support achievement of the Closing the Gap housing target. The National Agreement on Closing the Gap agreed on 30 July 2020 includes a state-wide target for the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized housing to increase from 78.9 per cent in 2016 to 88 per cent by 2031 from a baseline of 79.4 per cent in Queensland. Funding is not provided under this agreement to support achievement of this target.

### ***Australia's Disability Strategy***

The ongoing National Disability Agreement introduced in 2009 included the reform and policy direction that 'all governments recognise the importance of mainstream services in achieving the outcomes of this Agreement' (Clause 27). The Australian Government in conjunction with state and territory governments launched Australia's Disability Strategy 2021-2031 (ADS) in December 2021. 'Inclusive homes and communities' is one of seven outcome areas, with a focus on increasing the availability of affordable and accessible housing for people with a disability across the housing spectrum in order to support greater independence and participation. The ADS reaffirms Queensland's commitment as part of national efforts to enhance opportunities for people with disability and shift community attitudes to enable full inclusion and accessibility. The Queensland Government is developing a new state Disability Plan, supported by agency disability service plans, to support delivery of the ADS's priorities and guide continued actions to improve the lives of Queenslanders with a disability. The state level plan will be the primary mechanism for ensuring Queensland meets its obligations under the ADS.

There is strong alignment between the ADS and the NHHA in respect of the focus on improving the availability of affordable housing that is safe and sustainable (long-term) and offers options across the housing spectrum. The NHHA and ADS both seek to support social and economic participation,

which contributes to the ADS's overarching goals of equality, inclusion and respect. However, the NHHHA is silent on accessible housing, a key priority of the ADS. There is also a level of overlap between the NHHHA and ADS performance indicators in respect of a focus on social housing that meets occupants needs, but no disaggregation of NHHHA data in respect of disability.

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
<b><i>The purpose of the NHHA</i></b>		
What is the purpose of the NHHA? Is its purpose clear and appropriate?	1	Queensland concerns regarding the purpose, objective and outcomes of the NHHA primarily relate to the disconnect between the aspirational nature of the agreement, the many factors beyond the scope of the agreement that influence housing and homelessness outcomes, and the expectation of improved performance in the absence of increased Australian Government funding.
Are the outcomes of the NHHA suitable for the next agreement? If not, what should be the purpose of the next agreement? For example, should the next agreement be primarily a funding agreement focused on homelessness services and social housing or should it be a national housing policy agreement (or both)?	2	<p>Notably the NHHA is an ongoing agreement and the bilateral schedules expiring on 30 June 2023 may be replaced for further terms of up to five years. A key concern for Queensland is that there is sufficient time to properly consider future arrangements.</p> <p>Queensland would seek that the next agreement be primarily a funding agreement, in line with the Federation Funding Agreements Framework, giving states and territories discretion to prioritise policy according to the needs of their jurisdiction and providing funding certainty for ongoing services. Input controls and performance-based funding would be in conflict with the Federation Funding Agreements Framework principles.</p>
What are the main reasons for, and the benefits and costs of, a national housing strategy? How would a national housing strategy intersect with the next agreement?	3	The Queensland Government already has a substantial policy platform in place and is advanced in the implementation of the Queensland Housing Strategy 2017-2027 and associated action plans. Queensland's Bilateral Schedule E3 brought together only existing policy and legislation in order to meet the policy requirements of the NHHA. For Queensland to consider participating in a national housing strategy there would need to be alignment with Queensland's needs and a cost-benefit through additional Commonwealth funding in order to support the achievement of national aims.
<b><i>Is the objective appropriate and has it been achieved?</i></b>		
Is the objective of the NHHA appropriate? Is there agreement on the meaning of the objective's key terms (including 'affordable, safe and sustainable housing')? Is the scope of the NHHA — 'across the housing spectrum' — appropriate?	4	<i>Refer to response to Q1</i>
To what extent has the NHHA met its objective? What evidence is there that the objective has (or has not) been achieved?	5	<i>Refer to Q1 and Queensland's Annual Reports against Bilateral Schedule E3</i>
What should be the objective of the next intergovernmental agreement, taking into account the lessons learnt from the NHHA and earlier agreements?	6	<i>Refer to response to Q2</i>
<b><i>Outcomes of the Agreement</i></b>		

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
Is it possible to distinguish the contribution of the NHHA to the national outcomes from other policy and non-policy influences? If so, to what extent has the NHHA contributed to the agreed list of aspirational, overarching national outcomes? For example, has the NHHA contributed to a better functioning housing market?	7	It is not possible to distinguish the contribution of the NHHA to the national outcomes from other policy and non-policy influences as funding under the NHHA represents only around a third of the funding expended on housing and homelessness in Queensland.
What has affected the achievement of the outcomes, and how?	8	<i>Refer to Queensland's Annual Reports against Bilateral Schedule E3</i>
What strategies, levers and programs have governments used to contribute to these national outcomes? Have they been effective ways to achieve the Agreement's outcomes?	9	<i>Refer to Queensland's Bilateral Schedule E3, Annual Reports against Bilateral Schedule E3. Refer to body of the Queensland PC Review Submission regarding Australian Government levers.</i>
To what extent has the NHHA improved transparency and accountability about housing and homelessness outcomes? Is there scope for further improvements?	10	In Queensland the NHHA has generally resulted in duplication of reporting rather than increased transparency and accountability. Monitoring of expenditure could be achieved using reporting routinely produced by the Queensland Government, such as through Service Delivery Statements, departmental Annual Reports, and Queensland Budget Papers. Expenditure is also scrutinised through an annual Estimates Committee process for all portfolios.
Are the priority homelessness cohorts and homelessness priority policy areas in the NHHA the right priorities? If not, what should the priority homelessness cohorts and homelessness priority policy areas be?	11	<i>Refer to response to Q2.</i>
Are the outcomes of the NHHA suitable for the next agreement, and why (or why not)? To what extent should the outcomes of the next agreement be aspirational rather than achievable within the life of the agreement?	12	<i>Refer to response to Q2</i>
<b><i>Outputs of the Agreement</i></b>		
Are the outputs of the NHHA still relevant? Are different outputs needed? Should outputs be more prescriptive? Are the national housing priority policy areas the right priorities? If not, what should they be?	13	<i>Refer to response to Q2</i>



## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
<p>Has the requirement for States and Territories to have housing and homelessness strategies and statements of assurance improved outcomes? Do the programs and policies set out under the State and Territory Government housing and homelessness strategies contribute to the objectives and outcomes of the NHHA? If not, what improvements could be made?</p>	14	<p><i>Refer to responses to Q3 and Q7</i></p>
<p>What progress has been made on improving data, including on the nationally consistent housing and homelessness data set?</p>	15	<p>Queensland actively participated in the development of the Data Improvement Plan (DIP) that now forms Schedule E of the NHHA. Development of the DIP was to be achieved by 30 June 2019 but was substantially delayed, with approval not occurring until 16 April 2021 due to reasons beyond the control of individual states and territories. Queensland sought to have the impact of these delays acknowledged in the framing of the NHHA PC Review Terms of Reference.</p> <p>Annual reporting requirements showing progress towards implementation of the DIP as required by Clause C15 have not been met, but this is also outside control of individual states and territories given the lack of control over the meeting frequency and agenda of the Housing and Homelessness Data Working Group.</p>
<p><b><i>The roles and responsibilities of governments under the Agreement</i></b></p>		
<p>Are the roles and responsibilities of the Australian Government and the State and Territory Governments, as set out in the NHHA, clear and appropriate? How well are governments adhering to their roles and responsibilities, including their shared roles and responsibilities?</p>	16	<p>The roles and responsibilities of the various governments as set out in the NHHA are accurate. However, there is a disconnect between the objectives of the agreement and its scope. Clause 5 describing the purpose of the NHHA notes that Commonwealth tax settings and income support impact the housing market, but are outside scope of the agreement.</p>
<p>What are the implications of the shared roles and responsibilities of governments? Are there ways that governments could more effectively work together to achieve better housing outcomes and improve transparency and accountability?</p>	17	<p>The Australian Government does not commit to its own actions to improve housing outcomes, reducing the degree to which the agreement's objectives can be met. In many instances Commonwealth taxation, income support and policy settings effectively work at cross purposes to the NHHA, escalating housing stress and demand for housing assistance.</p>
<p>Are the roles and responsibilities of the different levels of government appropriate for the next agreement or should they be changed? For example, should local governments (who are not parties to the NHHA) be parties to the next agreement?</p>	18	<p><i>In addition to the response to Q2 and Q16 -</i></p> <p>The next agreement should give states and territories discretion to prioritise policy according to the needs of their jurisdiction, including State regulation of local governments, and exclude local governments as parties to the agreement.</p>

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
All jurisdictions have policies which affect the housing market. Many of these policies are outside the scope of the NHHA. Is this appropriate? If not, what policies should be included in the next agreement, and why?	19	<i>Refer to responses to Q1 and Q2.</i>
<b><i>Performance monitoring and reporting</i></b>		
How effective is the NHHA's performance monitoring and reporting framework? Do the indicators provide the right information to assess performance against the objective and outcomes? How well do the outcomes and performance indicators link to each other and the objective?	20	<p><i>In addition to the response to Q7 -</i></p> <p>Many of the National Performance Indicators (NPIs) are influenced by factors outside of the scope of the NHHA or outside the control of states and territories, such as planning approvals, economic conditions, income, population growth and household formation rates.</p> <p>The NPIs inappropriately set the expectation of improved outcomes in the absence of increased Commonwealth funding.</p>
What are the data development priorities? What needs to be done to progress data development?	21	<p><i>In addition to the response to Q15 -</i></p> <p>The need for any additional data development beyond the DIP and continued support of existing national collections needs to be weighed against the potential impact of redirecting funding from service delivery to data development unless additional Commonwealth funding is provided for this purpose.</p>
Are there better ways to measure progress towards achieving the objective and outcomes of the NHHA? What should the performance framework be for the next agreement?	22	<i>Refer to response to Q2.</i>
<b><i>Financial and governance arrangements</i></b>		

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
<p>How well do the funding arrangements support governments' shared objective, outputs and outcomes under the Agreement? Has the NHHA improved transparency and accountability of homelessness and housing spending? Are there aspects of the funding arrangements that could be improved? For example, would more (or less) flexibility around how the funding can be allocated by the States and Territories make it easier to achieve the agreed outcomes?</p>	23	<p><i>In addition to responses to Q2 and Q10 -</i></p> <p>The funding arrangements in the NHHA preserve aspects of former agreements and their calculation methodologies and do not directly relate to housing and homelessness need in each jurisdiction.</p> <p>No nationally consistent methodology has been developed to underpin financial reporting under the NHHA, particularly with regard to division between housing and homelessness responses and spending on each National Homelessness Priority Cohort.</p> <p>The funding arrangements do not currently impede Queensland's ability to allocate the funding because the restrictions on allocation of homelessness funding and associated matched funding are significantly lower than funding typically expended on homelessness.</p>
<p>Are the conditions for Australian Government funding under the NHHA sufficient to achieve the outcomes of the Agreement?</p>	24	<p><i>Refer to responses to Q1 and Q2.</i></p>
<p>Are the governance structures under the Agreement adequate and effective?</p>	25	<p>NHHA governance structures are challenging, particularly with regard to approval processes, which are inconsistent and cumbersome, and this has resulted in delays to delivery of the DIP. The Housing and Homelessness Data Working Group is convened infrequently by the Commonwealth and the Housing and Homelessness Senior Officials Network has been abolished, leaving no clear oversight of the implementation of the DIP.</p> <p>At a higher level there is no clear governance in place to enable negotiation of a response to the outcomes of the PC Review of the NHHA or greater national consistency across any future Bilateral schedules to the NHHA, noting that these and the multilateral DIP expire on 30 June 2023.</p>
<p><b><i>How does the NHHA align with other policy areas?</i></b></p>		

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
<p>In what ways does the NHHA intersect with other policies, agreements and strategies? Are there changes that could be made to ensure the NHHA is better aligned with them?</p>	<p>26</p>	<p>Queensland is committed to working with the Australian Government and States and Territories to address systemic issues and concerns, recognising that housing is a cross-sectoral issue influenced by both national and state-level tax, funding and policy settings.</p> <p><i>Australia's Disability Strategy 2021-2031</i>            The Queensland Government is committed to Australia's Disability Strategy 2021-2031 (ADS), released in December 2021 and the Queensland Government is developing a new State Disability Plan to support its delivery. The State level plan will be the primary mechanism for ensuring Queensland meets its obligations under Australia's Disability Strategy.</p> <p>Disability is not currently addressed within the NHHA and additional Australian Government funding would be required if any future agreement were to broaden the outputs required.</p> <p>Closing the Gap            The National Agreement on Closing the Gap agreed in 30 July 2020 post-dates the commencement of the NHHA and includes a target for the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized housing to increase from 78.9% in 2016 to 88% by 2031 from a baseline of 79.4% in Queensland.</p> <p>Clause 15d) of the NHHA was not underpinned by additional Commonwealth funding, despite the independent Review of Remote Housing finding that 1,100 new houses were required in Queensland remote communities in the ten years to 2028. The Queensland Government has reserved the right to negotiate with any future Australian Government for remote housing funding.</p>

## Responses to questions raised in the Review Issues Paper – Attachment 1

Question	No.	Proposed Queensland Response to relevant Issues Paper questions
What barriers do people with disability face securing affordable, safe and long-term housing (including barriers to home ownership and securing private rentals and social housing)?	27	<p>An undersupply of accessible, affordable housing is a key issue that has been raised through various forums, including consultation for the ADS, and recent work through the Building Ministers Forum to consider a minimum accessibility standard for new housing. The Productivity Commission is to consult with people with disability to inform the Review of the NHHA.</p> <p>Disability Reform Ministers have agreed that priority work be undertaken by officials, led by the Commonwealth, to explore options to address current challenges for people with disability in accessing safe, affordable and suitable housing options and to improve the supply of accessible and well-designed housing for all people with disability.</p> <p>The Queensland Government is also progressing work through the <i>Housing and Homelessness Action Plan 2021-2031</i> to work across government to deliver integrated responses that increase the diversity and supply of housing for people with disability. It is recognised that there is currently limited data to indicate the true supply of accessible, affordable housing, or to assist people to easily find accommodation that meets their needs.</p>
<b>Homelessness</b>		
How effective is the homelessness service system at improving housing and non housing outcomes for people who are homeless or at risk of homelessness?	28	<i>Refer to response to Q2</i>
Has the NHHA contributed to improved outcomes for people who are homeless or at risk of homelessness?	29	<p><i>In addition to the responses to Q1 and Q2 -</i></p> <p>Increased security of funding via the NHHA when compared with the National Partnership Agreement on Homelessness has resulted in increased workforce stability as a result of the five-year funding the Queensland Government was able to lock in to support existing homelessness services providers.</p>
How has COVID-19 affected people who are homeless or at risk of homelessness? Are there lessons from the responses to COVID-19 for addressing homelessness over the longer term?	30	<p>Refer to information on the response to COVID-19 provided in Queensland's Annual Reports against Bilateral Schedule E3 for 2019-20 and 2020-21.</p> <p>Note this information was included in the reporting proactively by Queensland and is additional to the NHHA reporting requirements.</p>
What changes should be made to homelessness services to improve outcomes?	31	<i>Refer to response to Q2.</i>

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What changes should be made to homelessness related governance and funding arrangements to improve outcomes?	32	<i>Refer to responses to Q1, Q2 and Q25.</i>
What should be done to improve the identification and measurement of homelessness in Australia, and to improve data on homelessness service system users and their outcomes?	33	<i>Refer to response to Q21.</i>
How could the next national agreement be designed to better address homelessness in Australia?	34	<i>Refer to responses to Q1 and Q2.</i>
<b>Social housing</b>		
What are tenants' experiences moving into, within and out of social housing (including time on waiting lists)? Does the social housing system provide tenants with opportunities for economic and social participation?	35	Refer to the Queensland Housing Strategy 2017-2027, Queensland Housing Strategy 2017-2020 Action Plan, Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 and the Queensland Housing Strategy Action Plan 2021-2025 for key social housing reform initiatives in Queensland.  Queensland Government Service Delivery Statements, Annual Reports and the national Report on Government Services provide insight into the management of social housing.
What are the economic and social benefits and costs of social housing? Are there changes that could be made to improve the effectiveness of the social housing system so it has a more positive impact on people's lives? What changes could be made to make the social housing system more equitable for tenants and better targeted to people in greatest housing need?	36	<i>Refer to response to Q35.</i>
How well is the social housing stock used and managed? Are social housing tenants satisfied with the condition, amenity and location of their properties? Do tenants feel safe in their social housing properties? Do the non-housing services provided to social housing tenants meet their needs?	37	<i>Refer to response to Q35.</i>
What changes are required to improve the financial sustainability of the social housing system? What are the benefits and costs of transferring ownership or management of social housing to community housing providers?	38	<i>Refer to response to Q35.</i>
Has the NHHA contributed to a well-functioning social housing system? Has it improved transparency on, and accountability for, social housing spending?	39	<i>Refer to responses to Q7, Q10 and Q23.</i>

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Question	No.	Proposed Queensland Response to relevant Issues Paper questions
What are the barriers to private and not-for-profit investment in new social and affordable housing? How has the National Housing Finance and Investment Corporation (NHFIC) supported new social and affordable housing developments? What is the experience of community and affordable housing providers seeking finance from NHFIC and other financial institutions?	40	Refer to Partnering for Growth with the community housing sector, the Queensland Housing Strategy 2017-2020 Action Plan and Queensland Housing Investment Growth Initiative for key initiatives driving investment in new social and affordable housing in Queensland.
How effective are the regulatory arrangements for community housing? What challenges do community housing providers face obtaining finance and expertise?	41	<i>In addition to the response to Q40 -</i>  Refer to the key issues for Queensland outlined in the Department of Housing and Public Works Submission to the Review of the National Regulatory System for Community Housing made in March 2019.
Are there issues relating to COVID-19 that social housing providers will need to build into future development and maintenance plans?	42	<i>Refer to response to Q35.</i>
<b><i>Affordable housing and assistance for low-income renters</i></b>		
Are there more affordable housing options available for people on low-to-moderate incomes as a result of the NHHA? Does the Agreement (and the bilateral agreements complementing it) adequately address affordable rental schemes?	44	<i>In addition to responses to Q1 and Q7 -</i>  Information on services provided to assist clients accessing the private rental market is published on the Queensland Government Open Data Portal by financial year for the RentConnect program.
What are the effects of housing assistance measures on the broader rental market and incentives for property owners?	45	<i>In addition to the response to Q17 -</i>  The National Rental Affordability Scheme (NRAS) was discontinued by the Australian Government in 2014 with no replacement program in place. NRAS had commenced in 2008 and peaked at 10,227 homes in Queensland, the majority of which cease to be part of the scheme in 2022-23 and 2024-25 and this will result in around 10,000 households being worse off.
What is the most cost effective way for governments to assist low and moderate-income private renters? Are the schemes targeted to the right people?	46	<i>Refer to response to Q44.</i>
<b><i>The private rental market</i></b>		

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Question	No.	Proposed Queensland Response to relevant Issues Paper questions
How well is the private rental market working? How does the private rental market differ between urban, regional and rural areas? Does the NHHA (and the bilateral agreements complementing it) adequately address issues in the private rental market?	48	<i>Refer to response to Q1.</i>
Are residential tenancy laws in each jurisdiction appropriate? How might residential tenancy laws better support renters, while not increasing the cost of renting? What has been the impact of tenancy reforms over the past five years in various States and Territories?	49	<p>The process of reforming Queensland's tenancy laws commenced in September 2018 with the launch of the Open Doors to Renting Reform Consultation, post-dating development of Queensland's Bilateral Schedule.</p> <p>A timeline and key documents relating to the reforms are available online - <a href="http://www.chde.qld.gov.au/about/initiatives/rental-law-reform">www.chde.qld.gov.au/about/initiatives/rental-law-reform</a></p>
What are the barriers to corporate and institutional investment in the residential property sector? Would an increased presence in the market lead to improved conditions for tenants? What would be the best way to encourage that investment?	50	<i>Refer to response to Q40.</i>
<b>Home ownership</b>		
To what extent does the NHHA support home ownership? Are government actions to support home ownership consistent with the objective and outcomes set out in the NHHA? What should the next agreement seek to achieve on home ownership?	52	<p><i>In addition to responses to Q1 and Q2 -</i></p> <p>Initiatives that support home ownership outcomes for public housing tenants are outlined in the Queensland Housing Strategy 2017-2027 and referenced in Queensland's Bilateral. The Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 post-dates the Bilateral and commits Queensland to improving home ownership outcomes for First Nations peoples.</p> <p><i>Home ownership including support for first home buyers' is a national housing priority policy area under the NHHA (Schedule A, clause A2e), and pathways to home ownership for public housing tenants is included in Queensland's bilateral schedule, drawing from commitment in the Queensland Housing Strategy. Additionally, the Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 commits Queensland to improving home ownership outcomes for First Nations peoples. Whilst home ownership remains an aspiration of many, rising housing affordability pressures continue to drive increased demand for government assistance in the crisis, social housing and rental assistance domains.</i></p>



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Question	No.	Proposed Queensland Response to relevant Issues Paper questions
To what extent should governments support people to buy a home? What programs and policies are most effective at helping people buy a home? Are there policies and programs that work against home ownership or housing affordability more generally?	53	<p><i>In addition to the response to Q52 -</i></p> <p>Housing markets are influenced by a wide range of economic and social factors outside the control of governments, notwithstanding the impact of Commonwealth taxation and income support settings, and national and state first home buyer incentives, which drive buyer demand and price growth and fuel affordability challenges.</p>
<b><i>Housing outcomes for Aboriginal and Torres Strait Islander people</i></b>		
What is important to Aboriginal and Torres Strait Islander people and communities in the context of housing? How do housing needs differ between urban, regional and remote areas?	56	<p>Queensland’s Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 responds to the unique housing experiences and aspirations of Aboriginal and Torres Strait Islander Queenslanders, recognising that access to safe, appropriate and sustainable housing provides the foundation to close the gap, and improves health, safety, wellbeing, education and economic outcomes.</p> <p>The Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 puts local decision making at the heart of culturally responsive housing and homelessness investment and service design. In partnership with communities, local housing plans are being developed in urban, regional, remote and discrete communities to identify local needs and priorities, including strategies to reduce homelessness.</p> <p>Aboriginal and Torres Strait Islander Housing Queensland was established in 2021 as the professional peak representative body for Aboriginal and Torres Strait Islander Housing providers in Queensland.</p>
What barriers do Aboriginal and Torres Strait Islander people face securing affordable, safe, stable and culturally appropriate housing (including barriers to home ownership and securing private rentals and social housing)?	57	<i>Refer to response to Q56.</i>
What progress have governments made improving housing and homelessness outcomes for Aboriginal and Torres Strait Islander people and communities?	58	<i>Refer to response to Q56.</i>
How are Aboriginal and Torres Strait Islander people, communities and community controlled housing organisations involved in the development, design and delivery of housing programs? How could this involvement be strengthened?	59	<i>Refer to response to Q56.</i>

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Does the NHHA (and the actions required under it) clearly specify the objectives and housing outcomes for Aboriginal and Torres Strait Islander people and communities? What (if any) principles, outcomes, targets and best practices could be embedded in the next agreement?	60	<i>Refer to responses to Q1, Q2 and Q26</i>
Are Aboriginal and Torres Strait Islander housing programs and initiatives (such as the Indigenous Home Ownership Program, National Partnership for Remote Housing Northern Territory, State and Territory Aboriginal and Torres Strait Islander housing and homelessness strategies, frameworks and action plans) effective? What improvements could be made?	61	<i>Refer to responses to Q1, Q2 and Q26</i>
Are there any obstacles for Aboriginal and Torres Strait Islander people accessing mainstream housing programs and homelessness services? What improvements (if any) could be made to mainstream programs to improve outcomes for Aboriginal and Torres Strait Islander people?	62	<i>Refer to response to Q56.</i>
Are the roles and responsibilities of the Australian, and State and Territory Governments in improving housing and homelessness outcomes for Aboriginal and Torres Strait Islander people clear and appropriate?	63	<i>Refer to responses to Q16 and Q26.</i>
How does the NHHA intersect with the National Agreement on Closing the Gap? How should the next NHHA align with the National Agreement on Closing the Gap?	64	<i>Refer to response to Q26.</i>
<b><i>Supply side of the housing market</i></b>		
Is the NHHA national performance indicator on ‘total number of dwellings relative to the population’ the right measure of how well housing need is being met?	66	<p><i>In addition to response to Q1 and Q15 -</i></p> <p>Development of this national performance indicator is being undertaken as part of the DIP, with data expected to be reported for the first time in 2022. It is difficult to assess the appropriateness of the measure in the absence of data.</p>
<b><i>Planning and land use regulation</i></b>		

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<p>Are there changes that could be made to planning and land use regulations to improve housing supply responsiveness? To what extent has the NHHA driven or encouraged planning and zoning reforms, including inclusionary zoning and land release strategies? Are there other strategies or vehicles that could be used to achieve progress on land use planning reforms?</p>	67	<p><i>Refer to responses to Q1, Q2 and Q3.</i></p>
<p><b><i>Planning and land use regulation</i></b></p>		
<p>How effective have inclusionary zoning requirements been at increasing the stock of social and affordable housing? Have State and local governments faced any issues implementing these requirements?</p>	68	<p><i>Refer to responses to Q1 and Q3.</i></p>
<p>Are the national performance indicators in the NHHA — the number of dwellings permitted by zoning and the time taken to decide development applications — the best indicators to measure the impact of planning and zoning reforms?</p>	69	<p><i>In addition to responses to Q1 and Q15 -</i></p> <p>Development of both these indicators has not been prioritised for funding as part of the DIP. It is difficult to assess the appropriateness of the measure in the absence of data.</p>
<p><b><i>The building and construction industry</i></b></p>		
<p>Are governments meeting their obligations under clauses 23(d), 23(e), 25(f) and 25(g) of the NHHA? Are these arrangements effective? Should they be included in the next agreement?</p>	71	<p>Queensland continues to meet its obligations under clauses 23(d), 23(e), 25(f) and 25(g). These matters relate to building and construction processes - as governed by National Construction Codes. There is no clear benefit to having these obligations reflected in the current NHHA or in future funding arrangements.</p>
<p>How effectively are Australia’s building and construction regulatory settings facilitating innovation and efficiency, while protecting consumers and ensuring dwellings are safe? Are there more cost-effective and/or non-regulatory instruments that governments could use?</p>	72	<p><i>In addition to the response to Q71 -</i></p> <p>These matters may be more appropriately raised with the Australian Building Codes Board as the body responsible for setting national building standards and ensuring that the costs imposed are reasonable in terms of safety and accessibility.</p>
<p>What impact does regulation of the building and construction market have on the cost and supply of housing? Are there regulatory or other changes that could be made to improve the performance, productivity, and supply responsiveness of the building and construction industry?</p>	73	<p><i>Refer to response to Q72.</i></p>