

National Housing and Homelessness Agreement Review

March 2022



Executive Summary

Brief History to Federal role in Housing

Federal housing agreements between the Commonwealth and States have been around since 1945. Due to the Second World War, a review was undertaken in response to concerns raised for the social welfare of lower-income households, which resulted in the development of the Commonwealth Housing Commission (CHC) and the first Commonwealth-State Housing Agreement (CSHA). This was a clear signal that the Federal Government must proactively take steps to address Australia's housing shortage.

Since then, there has been numerous CSHA agreements which have been altered depending on policy changes, from broadening public rentals to encouraging home ownership, to shifting the focus to low-income households requiring housing assistance as they were struggling to pay market rent. Deficits were seen for most state housing authorities by the late 1980s, prompting the Federal Government to change their funding approach from loans to grants, which acknowledged the financial challenge of providing social housing. By 1996, a shift in policy saw that rather than just a focus on increasing the sheer numbers of homes, successful housing outcomes for tenants became a priority.

In 2009, the National Affordable Housing Agreement (NAHA), which coincided with the introduction of the National Partnership Agreement on Homelessness (NPAH; 2009-2013), the National Partnership Agreement on Social Housing (2008-2010) and the National Partnership Agreement on Remote Indigenous Housing (2008-2018), replaced the pre-existing CSHAs. The National Housing and Homelessness Agreement (NHHA) was then introduced in 2018, replacing both the NAHA and NPAH.

Under the NHHA, the Federal Government commits funding each year to states and territories to help improve access to affordable, safe and sustainable housing, including a focus on the prevention of homelessness, and to support social and economic participation of Australians under the scheme. The NHHA agreement to this day, outlines the requirements for states and territories to enter the bilateral agreement with the Federal Government for funding, publish housing and homelessness strategies, contribute to data, provide annual statements of assurance and match contributions made by the Federal Government for homelessness funding.

While the events of the last 80 years have provided a solid basis for a central focus in housing policy, the COVID-19 pandemic has affected housing affordability significantly, with up to a 40% growth in median house values and up to 20% rise in median rentals. Therefore, there is a requirement of the next NHHA to play a new central role in housing and helping to alleviate the some of the stress of the current housing affordability crisis.

The Submission

PowerHousing Australia welcomes the opportunity to provide feedback on the priorities for the NHHA Review to the Productivity Commission.

PowerHousing is a peak body representing a national network of 36 large scale and tier 1 community housing providers (CHPs) and 50 Affiliate partners who develop and manage social and affordable housing across Australia. Our feedback is framed by our CHP and Affiliate Members, and the PowerHousing Australia Board.

This submission focuses on the providing recommendations on the current \$1.6b per annum agreement to help shape the extension of the NHHA from 30 June 2023 for the following five years and to better support social and homelessness housing delivery.

An overarching National Plan could be introduced to clearly articulate the roles and responsibilities of Federal and State Government in the delivery of social homes, imbedding the NHHA, while also guiding a broader approach to housing. There needs to be consideration of how performance can be measured and the tracking of progress, so that targets under the NHHA continue to be met.

As the NHHA currently stands, greater incentivisation of states is required to enhance the condition of homes through reviewing the current 300,000 public housing homes, and knockdown rebuild of poor-quality ageing homes to make way for more energy-efficient and universality designed houses. This submission further acknowledges the value that CHPs provide through property transfers of government managed homes to CHPs, who can provide more holistic support structures, with more positive tenant experiences. A long-term financial model which looks to incentivise states, particularly through boost payments to encourage energy efficient homes, for homes in regional areas or certain target groups, will see the results of the NHHA maximised.

Key Proposals

Proposed measures seek to improve housing for all Australians and to maximise the efficient delivery of housing under the NHHA with available resources.

1. National Plan and Prioritisation of Affordable Housing

Incorporate the NHHA into a clear and coherent national blueprint that governs Australia's housing policy with involvement from all levels of government.

2. Upgrade/Replacement Pipeline of Dwellings for Economic, Environmental and Social Impact

Replace old social homes with brand new 6-star livable housing with density uplift. This is a central strategy to reduce the carbon footprint and create more efficient social homes to boost wellbeing.

3. Property Transfers to Community Housing Providers

Look at best practice property transfers to CHPs as crucial to expanding social housing supply and ensuring best practice management of homes into the future.

4. Measuring Performance and Success

Introduce more consistent and standardised performance measures across all states and territories, to effectively track progress and indicators of success.

5. Incentivisation and Funding Considerations

Review the current \$1.6b under the NHHA and 300,000 public homes to understand ways to enhance financial incentivisation of states to rejuvenate and add additionality to the portfolio.

Recommendations

1. A National Plan and Prioritisation of Affordable Housing Supply

Introduced during COVID-19, the new National Cabinet can have a greater role in maximising the policy objectives around social and affordable housing. Federal and state governments have roles to play around supporting and creating levers to boost new social and affordable housing. Despite the intent of NHHA to outline the roles and responsibilities of the Federal Government and the states and territories to improve housing outcomes, as it currently stands, the Agreement fails to adequately articulate expectations and measures of success for the delivery of NHHA on the ground.

Despite the NHHA's housing policy priority areas being affordable housing, social housing, encouraging growth and supporting the viability of the community housing sector, tenancy reform, home ownership and planning and zoning reform initiatives, too often federal, state and local governments act uncoordinated or

at times against each other's purposes. This is the result of misaligned incentives, differing fund raising capacities or mechanisms, varying legal domains or responsibilities, and a lack of a singular coherent housing policy.

The 2021 Australian Infrastructure Plan's inclusion of community housing is an acknowledgement of how housing is vital to the physical, psychological and financial wellbeing of Australians. Housing is the place of security in the lives of Australians, that is now front of mind as a result of the COVID-19 pandemic. It must be a central focus of social infrastructure in the rebuild of the nation in this next phase. Greater social and affordable housing is an evidence-based response to combating long-term homelessness.

Access to secure and affordable housing enhances the social, economic and civic participation of everyday Australians. Stable and affordable housing is a secure base for all, particularly for our most vulnerable. The home is a safeguard for many with physical or mental health issues, and when universally designed can support people with a range of disabilities or challenges. The home is also where most family and domestic violence (FDV) is perpetrated and having a safe and secure home needs to be seen as a vital first step to help tackle FDV.

Under the guidance of the Housing Minister and National Cabinet Housing Subcommittee, the NHHA should be revised and incorporated into a broader National Housing Strategy. The Strategy would outline targets and housing development in Australia into the future. A comprehensive National Plan would guide planning, taxation along with demand and supply levers. The Plan should seek to prioritise housing for women who have experienced FDV, Indigenous Australians, those accessing Specialist Disability Accommodation (SDA), those who are or are at risk of, homelessness and more broadly should look to the rejuvenation of old and inefficient housing stock.

A clear understanding of the unique needs of regional areas is also required, with a plan that includes guidance and protocols around needs assessments of local regional areas. This will help take into account the additional challenges and costs associated with building social and affordable homes in the regions and will enhance efficiencies.

A successful plan would help clarify the roles of all the key stakeholders, including federal and state governments. It could look to support a vertical integration pipeline to ensure timely delivery on targets without compromising on long term outcomes. Ideally, the development of a high-level blueprint will broadly guide the housing landscape, but it will include a focus on the provision of social and affordable housing for Australia's future. A new National Plan could successfully highlight the roles and responsibilities under the NHHA that states and territories must play to ensure a consistent and unified approach to social and affordable housing across Australia, in addition to incorporating a funding agreement to guide service delivery by states and territories. A plan with a National Regulatory system for Community Housing is also a component that is needed. Further, key priorities and KPIs for the NHHA could be articulated to guide how the attainment of goals can be measured.

The objective of the National Plan could be:

"... a unified approach between federal, state and territory governments to collectively contribute to improving access to affordable, safe, sustainable and accessible housing across the housing spectrum, including to prevent and address homelessness, and to support social, economic and civic participation of everyday Australians."

Imbedding the NHHA in a National Strategy and associated Plan could also encourage the development of a national independent agency that could become a conduit between the federal and state governments. The independent agency can assist with reviewing progress towards meeting targets and negotiating between

the Commonwealth and states should any disagreements arise. The National Plan could also ensure there is better intersection between the NHHA and other housing policies, agreements and strategies.

2. Upgrade/Replacement Pipeline of Dwellings for Economic, Environmental and Social Impact

Australia's Long Term Emissions Reduction Plan forecasts that by 2050 around 7 million homes will not be subject to improved energy efficiency measures in the National Construction Code, with no retrofitted improvements to enhance the fabric of these older homes.

Almost 7 million older Australian homes are now well past their use by date, helping to contribute 18 per cent of Australia's greenhouse gas emissions. Older homes often sit on larger 800-1000sqm lots, on flat land close to commuter routes and jobs. Disproportionality, they tend to be occupied by lower income families and younger Australians who experience adverse financial and wellbeing impacts due to living in a lower energy rated home.

The latest [Report on Government Services](#) identified that under housing, dwelling condition has declined across the board from 2018 to 2021. This includes public housing, state owned and managed indigenous housing (SOMIH) and community housing, however that community housing still retains a substantial higher rating over public housing (+5.9%).

As we emerge from some of the world's longest lockdowns, countless Australians are only too aware that average dwellings are cold in winter, hot in summer and prohibitively expensive to heat and cool. Added to this, these homes are not designed for universal lifelong living, whether that is accessibility for prams, ageing in place, or living with disabilities.

Clear benefits of new housing developments include minimising the environmental impact, while enhancing dwelling condition, universal design and accessibility of homes to promote greater tenant wellbeing, and economic benefits. As is the case in market housing, Australia needs to look to replace ageing social housing stock to help create more efficient social and affordable homes.

New social and affordable housing builds can fill the gap in the construction pipeline and tackle the serious lack of affordable housing, particularly in regional Australia. To support replacement or upgrades of older social and affordable housing stock, a vertically integrated pipeline can be employed to enhance efficiencies and contribute to sustainable housing outcomes. The proposed National Plan for Housing could look to outline a vertical integration model which will help streamline the entire development process from planning and development approval stage, through to financing, tendering, supply and labour, to build completion.

There is opportunity for the new Plan to incorporate knockdown rebuilds of older stock and retrofits where appropriate for tenants, to help achieve the proposed additional social and affordable homes and extend the number of builds required to meet current and projected future demand. Both options will help with additionality to Australia's social and affordable housing stock, while ensuring that the future of social and affordable dwellings are energy efficient and universally designed. There needs to be incentives for state and local governments to come on board and to help upgrade and replace the 300,000 social housing dwellings that are alarmingly outdated in many cases.

To successfully implement knockdown rebuilds or retrofits pre-existing social and public housing dwellings requires strong partnership between federal and state governments, with state governments support to identify the 300,000 public housing dwellings that are:

- Pre-2002 energy rated
- Non universal/accessible designed
- On larger lots
- Density capable
- Close to commuter, jobs, retail.

Following identification of such sites, these older dwellings could be replaced with 6-star, accessible, universal homes that meet livable design guidelines. In situations where one older home is on a block, these could be replaced by 3 new and energy efficient homes which will assist with the additionality needed to meet social housing demand.

Rejuvenation and renovation of social housing portfolio could see social housing dwellings that are:

- stable temperature year-round,
- economical to run,
- places that support well-being and changing flexible work arrangements,
- universally designed according to the changing National Construction Code to allow aging in place/prams, injuries/wheelchairs from livable housing,
- require little to no maintenance over the first 5-10 years,

Further this could support 2-5 brand new housing outcomes on existing infrastructure, transport and proximity to jobs, while creating more jobs during the expected 2022-24 construction slowdown.

This concept will continue to be the solution to renewing aging, inefficient dwellings that are out of step with building code requirements and the changing environmental and social priorities nationally. Over the past 10-15 years across states such as Tasmania, Victoria, South Australia and New South Wales this type of policy has yielded housing renewal. In November 2020, the Victorian Government announced the \$5.3 billion Big Housing Build to revitalise the social housing sector. This includes the construction of 9,300 new social housing dwellings with the immediate commencement of 1,100 new dwelling builds. As part of the project, CHPs will have the opportunity to gain new property transfer agreements, extend existing agreements and negotiate new relationships with Homes Victoria.

An important part of the Big Housing Build and other future property transfers is the revitalisation and renovation, or knockdown rebuild, of property transfer properties. The *This Old House* report and PowerHousing's property transfer research project, helps identify the potential areas to renovate and maintain existing portfolio and transferred stock.

Immediate audit, identification and prioritisation of existing public/social homes is required to identify those properties that meet the above criteria and if replaced will provide immediate health, wellbeing, financial and economic impact outcomes. Incentivising the State and Local Governments to upgrade and replace many of the ageing social housing dwellings and units that have low energy efficiency and are not universally designed is critical. Further programs of retrofitting at a minimum, will improve the environmental efficiency and reduce the cost of living in these dwellings.

3. Property Transfers to Community Housing Providers

As noted in the [Report on Government Services](#), in addition to dwelling condition, tenant satisfaction has also declined since 2018 with the with the proportion of tenants 'satisfied' or 'very satisfied' declining in public housing, SOMIH and community housing. Nationally, community housing maintains a 4.5% higher rating over public housing. Tenant outcomes and less stigma is maximised when tenants are supported by a

CHP. Houses managed by CHPs have best practice maintenance and households receive maximised wrap around services and supports, which holistically enhance tenant satisfaction and wellbeing across numerous domains (e.g. physical, psychological and social). The number of community housing dwellings have more than doubled between 2008-09 and 2017-18 from 39,800 to 87,800 dwellings, while public housing decreased significantly in the same period. Today total CHP homes sit at over 100,000 dwellings developed from innovative and pragmatic partnerships.

Property transfer, also known as stock transfer, involves the transfer of management and/or title of public housing property to CHPs. Across Australia there has been a significant program of property transfer undertaken with states having previously committed to transferring 25% of all public housing across to the Community Housing Provider management. Over the past decade there has been significant transfer of property to CHP providers from the South Australian, New South Wales and Tasmanian Governments. Tasmania has over 11,000 social housing dwellings with around half of these homes under CHP management, with more on the way.

Property transfer programs such as NSW Family and Community Services transferring the tenancy management of around 14,000 social housing tenancies to community housing providers, of which around 12,000 are managed by PowerHousing Members, has also contributed to CHP growth over recent times. As CHPs continue to work in partnership with all levels of government and the wider private sector, the community housing sector is destined to see greater expansion to help house more Australians.

In some cases, the tenancies have a long-term tenant lease and in others the title is transferred to the CHP. A long-term lease for over 15-20 years or a simple title transfer allows for leveraging of the asset and provides an ability to increase the supply of social and affordable dwellings. With opportunity to renovate transferred properties, these homes can be revitalised to have greater energy efficiency through implementing solar and glazing insulation. Further opportunity for density bonuses, similar to those seen in Tasmania, would be an appropriate incentivisation for property transfers as more housing can be built on the site.

In other cases, there is the opportunity to knock down to create additional dwellings. An ageing home on a large flat lot on commuter routes can see the old home redeveloped to have three brand new environmentally efficient, universally designed homes with options for increasing public housing and new social and affordable housing as a result.

As a revision to the current NHHA, there is opportunity to consider property transfer as a crucial approach to expanding social housing supply and ensuring best practice management of homes into the future.

PowerHousing's Members Experience with Property Transfer

PowerHousing has continued to review our Member's experience of property transfer over the preceding years. PowerHousing previously commissioned AHURI to investigate property transfers. The result was the [2017 Inquiry into property transfer methodologies report](#). Following this report and building on a brief 2020 survey, PowerHousing and its Members have been conducting a broader survey of our experiences with property transfer. PowerHousing is creating a at Property Transfer Report to detail these outcomes.

The preliminary results of PowerHousing's Property Transfer Report include some important insights on the outcomes of property transfers. Our current data includes information from ten of our members from South Australia, New South Wales and Tasmania. The data covers 16,321 transferred properties, a considerable proportion of the total number of properties transferred over the past decade.

The vast majority of the transferred properties (93%) are management transfers rather than asset transfers (7%). Management transfers are usually long-term management agreements with the states (Chart 1) for CHPs to operate public housing stock instead of the public housing authority. Most members agree that these arrangements provide long-term financial certainty and an ability to leverage an income base to create new housing supply. However, asset transfers are generally considered more favourable to CHPs as they allow greater retrofit and redevelopment of old housing stock. Asset transfers are only a small portion of property transfers (7%) and increasing this amount could increase the development capacity of CHPs.

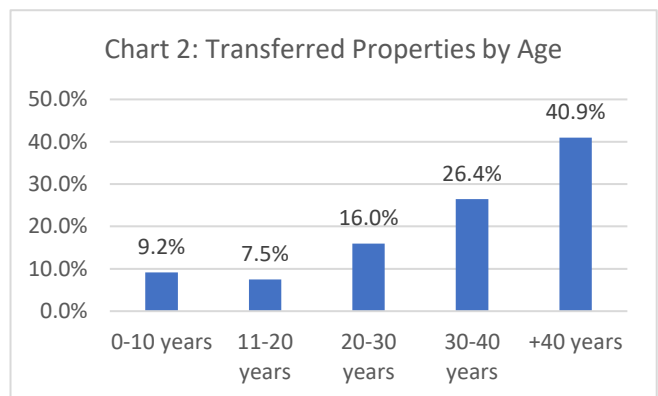
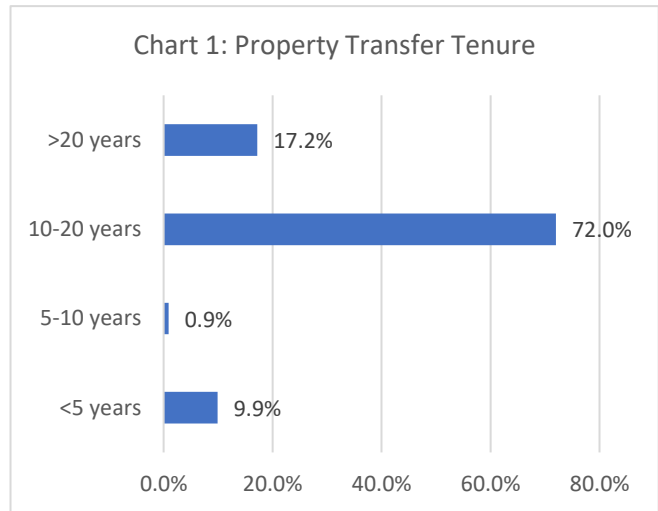
One challenge faced by CHPs when dealing with transferred properties is the age profile of the housing stock. Much of the transferred stock is of considerable age. Our survey indicated the average age of transferred stock was 40 years old. Chart 2 provides a breakdown of transferred properties by age cohort.

Old housing stock poses a variety of challenges including age related decay, outdated building standards, poor land utilisation, limited accessibility and increasing maintenance costs. For instance, Australia did not adopt compulsory 4-star Nationwide House Energy Rating Scheme (NatHERS) ratings into the national construction code until 2003. From our survey 83.4% of transferred stock was construction before the institution of 4-star NatHERs ratings. This means that the vast majority of transferred property has poor energy efficiency, increasing energy costs and decreasing tenant satisfaction.

The maintenance costs of old housing are considerable. The average maintenance backlog of transferred properties is \$11,500. This is not necessarily accurate as estimates are provided by state authorities before the property has been transferred. CHPs have been dealing with cases where the estimated backlog of maintenance is a considerable underestimation of the true backlog. Aside from backlog maintenance, our CHPs estimate that a transferred property costs an additional \$1,780 per annum in ongoing maintenance costs as compared to a new build property. Most common maintenance repairs come from plumbing and electrical issues. These issues are part of the fabric of the building and are difficult to rectify.

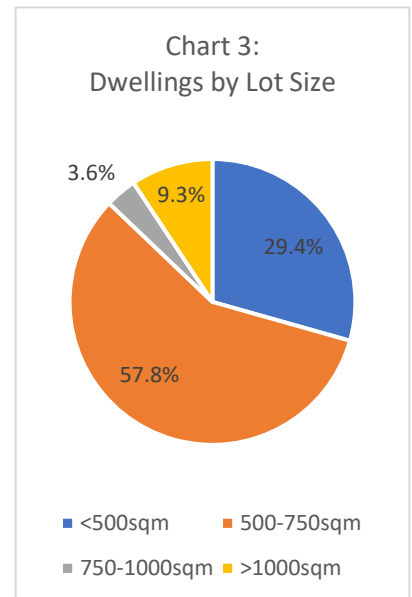
Table 1: PowerHousing Members Transferred Properties

	No.	%
Total No. of Transferred Properties	16,321	-
Total No. of Management Transfers	15,174	93%
Total No. of Asset Transfers	1147	7%



Retrofitting or rebuilding these properties can bypass the need to deal with maintenance backlogs and reduce the ongoing maintenance costs. It also offers an opportunity to deal with the other issues with old housing stock. Very few properties are built to accessibility standard. Only 568 (3.5%) transferred properties are built to Livable Housing Guidelines or an equivalent. Livable Housing Guidelines have recently been adopted into the national construction code; all new builds would be built with accessibility in mind.

Further, old housing stock tends to have poor land utilisation with small/single-family dwellings built onto large lots. From our survey, 70.6% of transferred property sits on lots larger than 500sqm. For context, the UDIA combined capital cities annual median lot size was 420sqm in 2020. Redeveloping these larger lots inline with modern standards could substantially increase the supply of social and affordable housing, as well as improving accessibility, and comfort.



4. Measuring Performance and Success

A shortfall of the current NHHA agreement is its inability to accurately measure or track performance and successful achievement of targets. Despite its high level outputs still remaining relevant, there is a need for more consistent and standardised performance measures across all states and territories, to effectively track progress and indicators of success. As mentioned prior, the introduction of an independent body could assist in overseeing progress. The funding model should look to be aligned to performance outcomes and targets, with an agreement of specific outputs by federal and state governments at the commencement of the Agreement. This will ensure that expectations of all parties are clear and will help drive states to help meet agreed outcomes.

Under the NHHA, states and territories are required to have publicly available housing and homelessness strategies and contribute to improved data collection and reporting. However, more work is needed to track homelessness outcomes, with performance indicators currently employed not being clear and concise in identifying how the homelessness service systems in each jurisdiction assists those who are or are at risk of, homelessness to secure stable housing. Accurate and valid data will help highlight the NHHA’s ability to help address the prevalence of homelessness and outcomes across Australian state jurisdictions. An audit of data management systems across state housing authorities would be useful in identifying appropriate tracking and recording keeping of data.

As with all reform, changes should be introduced in a delicate and considered manner to ensure buy-in and mutual drive from all stakeholders. Rather than the Commonwealth being an enforcer of the Agreement, there would be value in approaching the strategy with state and federal government as collective partners, sharing a united goal, with the independent body overseeing. There needs to be consideration of political and geographical factors, in addition to an understanding the further challenges evident for particular target groups and additional costs for regional areas, in setting up the Agreement between states and the Federal Government.

Implementing effective tools and measures to track outcomes, will also provide substantive data on the success of the NHHA and could look to contribute to a nationally consistent housing and homelessness data set. This data set will be invaluable in how it can assist with tracking progress and future planning.

5. Incentivisation and Funding Considerations

In late October 2021, the Australian Government NHFIC Review estimated that an investment of \$290 billion will be required over the next two decades to meet the current and projected shortfall in the stock of social and affordable housing. Meeting this shortfall will require active participation by the private sector and a high degree of collaboration across all levels of government. The Australia Housing and Urban Research Institute (AHURI) argues that an additional 727,300 social housing dwellings are required by 2036 nationwide or an annual average growth of 5.5 per cent, to meet future projected need.

This shortfall demonstrates a chronic long-term under investment in social housing, with tenant support services and rent rebates remaining unfunded. Opportunities for knockdown rebuilds of existing stock or refurbishment could help address this shortfall. However, consideration of how this will be funded, where the yield gap between cost and income can be reduced and how states and territories can be sufficiently incentivised is required.

It is anticipated that to maximise the success of the NHA in this next period, there will need to be both federal and state contributions to fundings. As a first step a full audit of funded assets under the NHA would be useful to understand existing supply and its value. There needs to be in depth consideration of how the operating subsidy for the existing portfolio and new supply can be financed. There needs to be greater oversight and transparency around how states have matched the Commonwealth's homelessness funding and what services have been delivered with the resourcing made available.

A financial model which commits to long term investment (10-20 years) that supports capacity building and also looks to bring in some private investment to bridge the funding gap, will maximise the success of the agreement. By introducing a subsidy model, will help to reduce the funding gap between unit costs of provisions and tenant rent. In addition, making large scale asset transfers to CHPs, as outlined in the property transfer section above, will help create more social homes and enhance tenant wellbeing through wrap around supports. A possible boost approach could be employed where additional supply that is required could receive a financial boost by the Federal government.

Despite the necessity for a standardised approach across states and territories, there would also be value in looking at financial incentives and loadings that are aligned to differing areas and priority tenant cohorts (e.g. homelessness, ATSI people, those experiencing FDV, and older adults).

Conclusion

PowerHousing is encouraged by the Productivity Commission's comprehensive review of the NHA. Unfortunately, Australia's housing crisis continues to worsen with a projected shortfall of \$290 billion over the next two decades needed to meet the expected social housing demand. Concerted action is required to prevent this situation from deteriorating further. This submission outlines a set of policies and recommendations to revitalise and maximise the impact of the NHA to help address Australia's housing crisis.

There is support for a National Housing Plan and Strategy which would seek to guide the housing landscape more broadly, while also incorporating the NHA. The Plan should look to encourage additionality through knockdown rebuild or refurbishment of older inefficient social dwellings to make way for 6-star, accessible, universal homes that meet liveable design guidelines. CHPs hold extensive knowledge and expertise in the delivery and management of social homes, and as such, property transfer of existing social housing stock will see better tenant outcomes and administration of these homes. An independent body could be introduced to track progress towards NHA goals, with standardised measures implemented to guide states and

territories towards success. A long-term investment model which looks to incorporate private investment, will maximise the success of the agreement and ensure NHHA's longevity into the future.

PowerHousing and our CHP Members are ready to be partners of the Government. As scale developers of social and affordable housing, CHPs will form an essential component to deal with the undersupply of social and affordable housing.

Sensible policy by the Federal Government can help alleviate Australia's housing affordability crisis, while maximising impact and positive outcomes seen under the NHHA. The true success of the NHHA and the broader housing agenda, requires constructive collaboration with the community housing sector. PowerHousing and its CHP Members stand prepared to assist the Government in the years ahead and look forward to a renewed NHHA.

Appendix 1: About PowerHousing Australia

PowerHousing facilitates a national network of 36 Tier 1 and scale growth regulated community housing providers (CHPs) who develop and manage affordable housing across Australia. In 2021 alone our Members:

- Raised \$1 billion in debt facilities
- Managed 75,000 dwellings providing safe, quality and affordable homes
- Housed 125,000 plus people across the nation
- Stewarded \$22 billion in efficiently-managed social and affordable housing.

PowerHousing works to address affordable housing need through sharing and building on best practice in housing and community development, collaborating to mobilise collective resources, and providing an independent and influential collective voice for the biggest and most financially mature CHPs in the country.

PowerHousing provides networking for our Members through quarterly exchanges, the Annual Member Exchange and the International Housing Partnership, which involves the US, UK, Canada and is associated with New Zealand. Based in Canberra, we are located to promote the capacity of Members and represent their policy positions to the Federal Government and other stakeholders.

PowerHousing also partners with corporate affiliates and associates across national and international construction, development, finance, IT, HR and related sectors.

PowerHousing Australia's CHP Members work on a profit-for-purpose model; they acquire, develop and manage affordable and social housing dwellings throughout Australia, and any profits are directly reinvested back into affordable and social housing, repeating the process to house as many Australians in need as possible. Our Members bring capability and capital to partnerships with developers, sector partners, government (including local councils), and often focus on particularly vulnerable groups such as people affected by domestic and family violence, those needing employment and training, those living with disabilities and the elderly. As demonstrated with the landmark Ivanhoe Estate redevelopment project in Sydney, our CHPs are successfully partnering with large-scale developers to increase the supply of social and affordable housing.

The work of our Members is supported by government initiatives at both State and Federal level through enablers such as the National Housing Finance and Investment Corporation (NHFIC), which PowerHousing CFO Members and Affiliates supported to evolve into a successful piece of legislation in concert with Treasury. The Affordable Housing Bond Aggregator (AHBA) and National Housing Infrastructure Facility (NHIF) have opened up new funding and delivery options for our Members. Government is increasingly transferring aged public housing assets to CHPs to continue delivering social housing efficiently and with excellent levels of tenant satisfaction.

Our Members stand ready to partner with Government and the private sector to contribute to the social and economic recovery from COVID-19, and to create a legacy of a more resilient housing system through increased affordable housing.