



**THE HON JIM CHALMERS MP**  
TREASURER

**THE HON JULIE COLLINS MP**  
MINISTER FOR HOUSING, MINISTER FOR  
HOMELESSNESS, MINISTER FOR SMALL  
BUSINESS

Ref: MS22-002238

The Hon Anthony Albanese MP  
Prime Minister  
Member for Grayndler  
Parliament House  
Canberra ACT 2600

Dear Prime Minister

s 34(2), s 47C

s 47C

We further seek your agreement to commence the following negotiations with States at the Council on Federal Financial Relations meeting scheduled on 11 October 2022:

- On the Housing Accord, s 34(2), s 47C, with scope to amend language consistent with the overall approach and within existing funding.
- s 47B, 47C

## **The Government's housing agenda**

The Government has a significant housing agenda which is being progressed through the 2022-23 October Budget. This includes delivering on our election commitments to create a Housing Australia Future Fund, to expand the National Housing Finance and Investment Corporation (NHFIC) and rename it as Housing Australia, to agree a National Housing and Homelessness Plan and to create the National Housing Supply and Affordability Council. Following the successful Jobs and Skills Summit, the Government also committed to broaden the remit of the National Housing Infrastructure Facility.

Combined, these initiatives will contribute significantly to the affordability and availability of housing for all Australians over coming years. However, there are immediate pressures on the housing sector, particularly the availability of rental properties and affordable housing for Australians on lower incomes. <sup>s 47C</sup>

## **Housing Accord**

Recognising the breadth of current housing pressures, the Housing Accord will unite key stakeholders in working together towards a shared goal of increasing housing supply and investment. It will be made between the Commonwealth and the States and Territories (states), local governments, institutional investors (including banks and superannuation funds), and the property and construction sectors, and will provide impetus for Accord members to deliver reforms and increased investment in housing.

Such an Accord is essential to growing housing supply and increasing affordability across Australia. The Draft Accord attached an option to set an aspirational national target for dwelling delivery, for discussion with states and territories and other parties, with a view to providing affordable accommodation for all Australians.

Achieving this aspirational target, and concrete actions for each party will be detailed through the National Housing and Homelessness Plan. Progress against the short, medium and long-term actions under the National Plan will be monitored and updated by the National Housing Supply and Affordability Council, in consultation with State and Territory Governments.

## **Housing Australia Future Fund top up and negotiations with states**

<sup>s 47B, 47C</sup>

## **Interactions between the Housing Accord and the Housing Australia Future Fund**

Any funding supplied through this Accord would be expected to be additional to existing commitments, particularly on social and affordable housing. This includes the Government's commitment to build 30,000 social and affordable housing homes through the creation of the Housing Australia Future Fund, and commitments to expand the supply of social and affordable housing by States.

We anticipate the Accord will be integrated with this Budget's broader housing agenda. In particular, ongoing monitoring and review of the housing supply targets under the Accord will be managed by the new

National Housing Supply and Affordability Council, and the objectives of the Accord will be incorporated in the National Housing and Homelessness Plan.

**Timing**

The pressures in the housing sector require immediate action. s 47B, 47C

s 47C

s 22

Yours sincerely

s 22

The Hon Jim Chalmers MP

The Hon Julie Collins MP



**THE HON CLARE O'NEIL MP**  
**MINISTER FOR HOUSING**  
**MINISTER FOR HOMELESSNESS**

Ref: MS24-001959

The Hon Jim Chalmers MP  
Treasurer  
Parliament House  
CANBERRA ACT 2600

Senator the Hon Katy Gallagher  
Minister for Finance  
Minister for Women  
Minister for the Public Service  
Parliament House  
CANBERRA ACT 2600

Dear Treasurer and Minister

I am writing to provide you with an update on the outcomes of the Housing Australia Future Fund (HAFF) Round 1 following the announcement I made jointly with the Prime Minister on 16 September 2024.

The Housing Australia Board approved over 13,700 dwellings across 185 preferred projects to progress to contract negotiation. This is a positive outcome, representing one-third of the Government's target of supporting 30,000 new social and affordable homes over 5 years under the HAFF and a further 10,000 affordable homes under the National Housing Accord. Importantly, around 700 of these homes are expected to be ready for occupation by 30 June 2025, with almost 4,400 ready to begin construction in the same period.

While this outcome only reflects the first of several funding rounds, I have asked The Treasury to work with Housing Australia in considering potential improvements that can be made prior to Round 2 commencing.

s 34(3), s 47C

Yours sincerely

s 22

CLARE O'NEIL

2 / 10 / 2024

CC: The Hon Anthony Albanese MP, Prime Minister



**THE HON CLARE O'NEIL MP**  
**MINISTER FOR HOUSING**  
**MINISTER FOR HOMELESSNESS**

Ref: MS24-002599

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Prime Minister

s 34(2)

I seek your agreement to announce the commencement of Round 2 of the Housing Australia Future Fund (HAFF) after the 2024-25 Mid-Year Economic and Fiscal Outlook (MYEFO) has been published. This includes announcing the Government's decision to increase Housing Australia's financial liability cap from the current \$10 billion to \$26 billion. The liability cap sets the maximum value of liabilities that Housing Australia can incur under the Commonwealth guarantee.

s 47E

The decision to increase the cap on the Commonwealth's guarantee of Housing Australia's liabilities was taken to enable Housing Australia to deliver Round 1 of the HAFF and National Housing Accord and Round 2 of the HAFF. It also provides continued support for growth in the Affordable Housing Bond Aggregator. The increase will be implemented by amending the *Housing Australia Investment Mandate Direction 2018*.

The amended Investment Mandate needs to be registered prior to Housing Australia opening applications for Round 2. As you know, I have asked Housing Australia to adopt a streamlined approach to this funding round to ensure we are able to support more homes for Australians, as quickly as possible. I have been advised that applications need to open in December 2024 to maintain our agreed timelines for this round.

With your approval, I propose to announce this measure after the 2024-25 MYEFO has been published, in consultation with your office.

~~Yours sincerely~~

CLARE O'NEIL

13 / 12 / 2024

CC

The Hon Dr Jim Chalmers MP, Treasurer

Senator the Hon Katy Gallagher, Minister for Finance

PROTECTED CABINET



PRIME MINISTER  
The Hon Anthony Albanese MP

Reference: MC24-163010

19 DEC 2024

The Hon Clare O'Neil MP  
Minister for Housing and Homelessness  
Parliament House  
CANBERRA ACT 2600

Dear Minister

*Clare,*

Thank you for your letter dated 13 December 2024, seeking approval to announce the increase in Housing Australia's financial liability cap as part of announcing the commencement of Round 2 of the Housing Australia Future Fund (HAFF), after the 2024-25 Mid-Year Economic and Fiscal Outlook (MYEFO) has been published.

I agree to the request outlined in your letter, noting it is important to maintain the agreed timelines for Round 2 of the HAFF.

A copy of this letter has been provided to the Hon Dr Jim Chalmers MP, Treasurer and the Senator the Hon Katy Gallagher, Minister for Finance, for information.

Yours sincerely

s 22

ANTHONY ALBANESE



**THE HON CLARE O'NEIL MP**  
**MINISTER FOR HOUSING**  
**MINISTER FOR HOMELESSNESS**

Ref: MS25-000073

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Prime Minister

I write to seek your agreement to amend the *Housing Australia Investment Mandate Direction 2018* (Investment Mandate) to support Housing Australia's continued delivery of the Housing Australia Future Fund Facility (HAFFF), <sup>s 22</sup>

<sup>s 22</sup> I am seeking your support to have the proposed amendments progressed in the coming weeks to ensure these important initiatives can support more homes for Australians as soon as possible.

*Housing Australia Future Fund Facility*

I am proposing to amend the Investment Mandate to allow responsibility for a HAFFF project to be transferred from an applicant state or territory entity to another eligible entity which will receive funding and deliver the project.'

<sup>s 34(3), s 47B</sup>

The proposed amendments would enable Housing Australia, on receiving a variation application from the relevant entities, to vary the project proponent (the entity responsible for a project) from the state or territory which applied for funding to a new entity if eligibility criteria are met (including that the new entity is an 'eligible project proponent' under existing provisions of the Investment Mandate). These changes are also proposed to apply to the National Housing Accord Facility (NHAF) and the National Housing Infrastructure Facility given these arrangements also operate over long periods, up to 30 years, making transfer of project responsibility during that time a foreseeable issue.

Further, I am proposing to amend the Investment Mandate to enable a special purpose vehicle (SPV) to be eligible for HAFFF and NHAF loan funding if at least one member of the SPV meets the existing proponent eligibility criteria. These include registered CHPs, registered charities, constitutional corporations and other specified entities (referred to as 'eligible entities'). While the Investment Mandate currently limits the making of loans under the HAFFF or the NHAF to eligible entities, the proposed amendments would allow loans under the HAFFF and the NHAF to also be made to SPVs but only where at least one member of the SPV is an eligible entity.



The limiting of loans to eligible entities was decided in preparation for Round 1 and was originally intended to support these entities to have greater access to HAFFF and NHAF funding. Round 1 outcomes have demonstrated that SPV arrangements helped to attract a broader range of delivery partners and investment to support housing delivery, but the limitation has prevented Housing Australia concluding funding with these SPVs despite the general suitability of the project and entity for funding. The proposed changes are expected to provide Housing Australia and project proponents with greater flexibility in current and future funding rounds to support more social and affordable homes. As the loan program is intended to support the viability and sustainability of the community housing sector, the changes will still require the eligible entity (or eligible entities) in the SPV to have meaningful participation or control in the project to ensure that public investment is retained in the sector.

s 22

Thank you for your consideration of these proposed changes that will support the Government's plan to deliver more homes for Australians.

Yours sincerely

s 22

CLARE O'NEIL

3 / 2 / 2025

PROTECTED CABINET



PRIME MINISTER  
The Hon Anthony Albanese MP

Reference: MC25-011031

21 FEB 2025

The Hon Clare O'Neil MP  
Minister for Housing  
Minister for Homelessness  
Parliament House  
CANBERRA ACT 2600

Dear Minister

Thank you for your letter dated 3 February 2025 regarding changes to the *Housing Australia Investment Mandate Direction 2018*.

I agree to your proposed changes to support Housing Australia's continued delivery of projects under the Housing Australia Future Fund Facility, National Housing Accord Facility and the National Housing Infrastructure Facility.<sup>s 22</sup>

A copy of this letter has been provided to the Hon Dr Jim Chalmers MP, Treasurer and Senator the Hon Katy Gallagher, Minister for Finance, for information.

Yours sincerely<sup>s 22</sup>

ANTHONY ALBANESE