

# Improving housing outcomes for Australians





Blak Douglas, *Colour Bonding*, 2022, synthetic polymer paints on linen, 100 x 150 cm, Housing Australia, Sydney.

### **Colour Bonding (2022)**

*Colour Bonding* is an artwork created for Housing Australia by Archibald Prize winning artist, Blak Douglas. It was commissioned by Housing Australia as part of our Reconciliation Action Plan journey.

This artwork encapsulates Housing Australia's commitment to improving housing outcomes for Australians. The housing structures depicted in the artwork are simple but reflect that housing and a sense of home is a basic human need and fundamental to the wellbeing of all Australians.

### **Contact details**

We welcome any feedback about this report.

Please direct feedback to:

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✂ @housing\_au    @housingaustralia

### **Acknowledgement of Country and Traditional Custodians**

Housing Australia acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and communities.

We pay our respects to them and their cultures and to Elders past and present.



#### Letter of Transmittal

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

18 September 2024

Dear Minister

#### HOUSING AUSTRALIA ANNUAL REPORT 2023-24

As Chair of Housing Australia and on behalf of the Board as the accountable authority, I am pleased to present the Housing Australia annual report for the year ended 30 June 2024.

The annual report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013*. It includes Housing Australia's audited financial statements as prepared under section 43 of the Act and an annual performance statement as required under section 39 of the Act.

The annual report discusses the progress made by Housing Australia in achieving its performance objectives as outlined in its Corporate Plan 2023-24, in particular the improved housing outcomes it has delivered for Australians.

Yours sincerely

Carol Austin  
Chair  
Housing Australia

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# About Housing Australia

Housing Australia (formerly the National Housing Finance and Investment Corporation) is the national housing authority that supports the delivery of Australian Government programs to improve the supply of sustainable, long-term social and affordable housing, and support home ownership for more Australians.

Housing Australia brings together all levels of government, community housing providers (CHPs), institutional investors, banks and other lenders, private sector developers, landowners and construction companies to facilitate and deliver more social and affordable housing.

Housing Australia also works with participating lenders to facilitate loans to eligible home buyers to purchase a home with a small deposit and without the need for lenders mortgage insurance.

## Our impact<sup>1</sup>

**\$4.1b**

Loans to CHPs approved by  
Housing Australia Board

**18,800+**

New and existing  
homes supported

**\$740m**

Estimated interest and  
fee savings for CHPs<sup>2</sup>

**\$730m**

Infrastructure facilities  
approved by Housing  
Australia Board

**168,000+**

Australians helped to  
buy their own home

**31**

individual CHP and 14  
sector-wide capacity  
building grants

**\$2.6b**

in bonds across  
7 bond issuances



1. Since establishment on 30 June 2018.

2. The total interest savings amount reported is a projection calculated at the time of approval and may vary to the final savings realised by the borrower.

## 2023–24 highlights

Opened first funding round of the Housing Australia Future Fund Facility and the National Housing Accord Facility programs

**HELPED OVER  
58,000**

Australians buy a home sooner, including over 18,000 home buyers in regional areas

**67%**

of leadership positions at Housing Australia held by women

**\$876.8m**

Loans to CHPs approved by Housing Australia Board

**2,400+**

New and existing homes supported

**\$140m**

Estimated interest and fee savings for CHPs<sup>3</sup>

**\$221.3m**

Infrastructure facilities approved by Housing Australia Board

3. The total interest savings amount reported is a projection calculated at the time of approval and may vary to the final savings realised by the borrower.









## Message from the Chair and CEO



As the national housing authority, Housing Australia continues to support pathways to home ownership and provide investment flows to increase the supply of social and affordable housing. Our expanded mandate will help more Australians to access affordable, safe and secure housing, providing them with greater stability from which to build their lives, access employment and a more stable future.

The past year has been a pivotal one as the National Housing Finance and Investment Corporation (NHFIC) became Housing Australia, taking on additional responsibilities from the Australian Government to help address the nation's housing challenges.

Over the year, housing supply and affordability continued to impact many Australians. Against this backdrop, Housing Australia supported the delivery of a range of Australian Government programs that are making a meaningful difference to many people around the nation. We helped over 58,000 eligible home buyers to buy their own home; and supported the delivery of more than 2,400 social and affordable homes for Australians in need bringing the total to over 18,800 homes since our inception.

### What it means to be Housing Australia

In October 2023, the Australian Government expanded our mandate – at the same time renaming the organisation to Housing Australia.

The expanded mandate includes primary responsibility for co-investment financing to support the delivery of 40,000 social and affordable homes through the Housing Australia Future Fund Facility (HAFFF) and National Housing Accord Facility (NHAF); as well as an additional \$1 billion for the National Housing Infrastructure Facility (NHIF) targeting social housing for specific cohorts.

Further changes were announced in the 2024–25 Federal Budget, including \$1.9 billion in concessional loan finance for the HAFFF and NHAF, along with increases to the cap on Housing Australia's total liabilities by \$2.5 billion to \$10 billion and our funding to registered CHPs through the Line of Credit facility to a limit of \$4 billion.

### New initiatives

In January 2024, Housing Australia launched the HAFFF and NHAF programs following extensive consultation and engagement with CHPs, state, territory and local governments, investors and the property and finance sectors with feedback informing design and implementation.

We received strong demand for the first funding round with applications covering a cross section of target cohorts, with projects that can be delivered quickly as a priority.

In September 2024, Housing Australia notified applicants of the outcome of their applications for funding under round one of the HAFFF and NHAF programs, with preferred projects progressing through contract negotiations.

These projects have the potential to deliver more than 13,700 social and affordable homes to Australians in need, including dwellings for women and children escaping domestic violence, Veterans, First Nations people and key workers.

Housing Australia is focused on supporting the delivery of much needed social and affordable housing across the country as quickly as possible, with funding anticipated to go towards projects that will see some of these homes become available for people to occupy as early as this year. Funding is also anticipated to go towards new homes under construction that will become available over the coming months, and homes that will start construction over the next 18 months.

As part of its broader package of housing measures, the Australian Government introduced legislation into Parliament in November 2023 to establish the Help to Buy shared equity scheme that will be administered by Housing Australia. The legislation passed the House of Representatives in February 2024 and is currently before the Senate. Preparatory work has been undertaken including industry engagement to inform design.

### Finance to increase the supply of social and affordable housing

During the year, Housing Australia approved \$876.8 million in funding for more than 2,400 social and affordable homes through the Affordable Housing Bond Aggregator (AHBA) and issued three bonds (including taps to existing bonds) with a total value of \$484 million to support AHBA loan facilities. The CHPs are estimated to save \$140 million in interest and other fees over the term of the AHBA loans.

Housing Australia is also supporting the delivery of a further 2,242 social and affordable homes with \$221.3 million in NHIF financing approved during the period.

### Supporting the community housing sector

In 2022, Housing Australia co-funded the development of an environmental, social and governance (ESG) reporting standard for the CHP sector, with the first report released in September 2024. The standard, currently being implemented by CHPs, contributes to better measurement of the impact and outcomes of Housing Australia's activities, building an evidence base to support further investment in the sector.

### Support to buy a home

Together with our participating lenders and their broker networks, Housing Australia has now supported over 168,000 eligible home buyers to buy their own home through the Home Guarantee Scheme (HGS) since its launch in January 2020. In the past financial year, the HGS helped over 58,000 people to purchase a home sooner, including over 11,000 key workers and more than 1,000 single parents or single legal guardians.

Access to the HGS was significantly enhanced during the year with the introduction of expanded eligibility criteria and a third major lender joining the participating lender panel. Alongside continued strong demand, this expansion enabled almost one in three first home buyers to be supported by the Scheme in the period, compared with one in 10 in the Scheme's first full year of operation.



### Implementing delivery of large complex programs

In response to our expanded responsibilities including the delivery of large complex programs, we continued to build our internal capability through ongoing investment in people and technology. We scaled up quickly to deliver the new and expanded programs, onboarding almost 60 people over the year to build a staff of 138 as at 30 June 2024.

During this period of substantial change, Housing Australia enhanced its IT capabilities, as well as governance and risk management frameworks, and continued to implement technology and cloud-based applications to streamline operations and future-proof the organisation.

### Acknowledgements

On behalf of the Board, we acknowledge the contribution of directors during a period of substantial change and growth. We express our thanks to Teresa Dyson and Tony De Domenico OAM who stepped down during the year, and Jane Hewitt who stepped down in August 2024. We also welcome new directors Cathie Armour, Mary Ploughman and Matina Papathanasiou who joined the Board in October and November 2023.

We would like to acknowledge our former Minister, the Hon Julie Collins MP, Federal Treasury and their respective teams for their strong engagement and support over the past year. We thank outgoing and inaugural CEO, Nathan Dal Bon for his significant contribution to Housing Australia over the past six years.

We look forward to working with incoming CEO Scott Langford, the Minister for Housing and Minister for Homelessness, the Hon Clare O'Neil MP and the Minister for Finance, Minister for Women and Minister for Public Service, Senator the Hon Katy Gallagher.<sup>4</sup>

We thank our colleagues across all tiers of government, industry, HGS participating lenders and CHPs, for their collaboration and commitment to working in partnership to resolve the nation's housing challenges. We also express our gratitude to Housing Australia employees, who continued to demonstrate an unwavering commitment and passion for helping people into homes.

Together with all stakeholders, we look forward to continuing to work together to provide safe, secure and affordable housing for more Australians.

Signed for and on behalf of the members of the Housing Australia Board in accordance with a resolution of the Board and in accordance with Section 46 of the *Public Governance, Performance and Accountability Act 2013*.



**Carol Austin**  
Chair

Signed 18 September 2024



**Stuart Neilson**  
Acting Chief Executive Officer  
Signed 18 September 2024



The Hon Clare O'Neil MP, Minister for Housing and Minister for Homelessness as of 29 July 2024.



**L-R** Andrew Brooks, SGCH Group Executive Homes, Karen Orvad, SGCH Chair, Antoine Mesnage, AXA IM Alts Head of Australia, Sally Sitou MP, member for Reid, the Hon Jim Chalmers MP, Treasurer, the Hon Anthony Albanese MP, Prime Minister, Dr Andrew Charlton MP, member for Parramatta, the Hon Julie Collins MP, former Minister for Housing, Fouad Deiri OAM, Deicorp Chair, Toby Coleman, AXA IM Head of Alternatives Client Group, Carol Austin, Housing Australia Chair, SGCH Westmead site visit, 21 May 2024.

HELPED OVER

**11,000**

key workers in 2023–24

SUPPORTED OVER

**58,000**

home buyers in 2023–24

APPROVED

**\$876.8m**

in long-term funding to CHPs

4. The Joint Minister Oversight Model commenced on 1 July 2024 and establishes a consistent role for the Minister for Finance across all existing and future specialist investment vehicles (SIVs) including Housing Australia.

# HousingFirst

## Project profile

A partnership between Housing Australia, Homes Victoria and HousingFirst will support the delivery of 152 new apartments for over 55s in Melbourne, Victoria.

The \$76.7 million project is being developed in two stages, offering long-term social housing for 50 residents with the balance reserved for over-55-year-olds on the Victorian Housing Register.

Tenants have moved into Stage One of the project, known as Building A, which comprises 36 one-bedroom apartments. Stage Two of the project comprises 116 units across two buildings and completion is expected in late 2024.

The project is primarily funded through the Victorian Government's Big Housing Build 2021 Rapid Round. Housing Australia contributed \$5 million in grants and loans for infrastructure works through the NHIF.

Clive Bowden, HousingFirst Acting CEO said 'It is wonderful to help more older people to stay living locally as they age and obtain the services and support they need at home, without having to move away from their neighbourhood and support networks.

'We are very grateful that Housing Australia has helped finance this older person-focused project to ensure more Victorians have a safe and secure home.'



HousingFirst housing, Melbourne Vic.





HousingFirst housing, Melbourne Vic.

## Tenant story

*'Family and friends have been extremely impressed with my new home.'*

Mary\* has lived in the Brighton area all her life, raising three children in the region. However, escalating costs of a private rental put her housing security at risk when she retired as an aged care nurse. Mary was unable to afford to continue renting in the community that had been her home for so long.

A decade ago, Mary came across the over 55s village and has lived there ever since as a long-term resident.

Today, she is even more delighted to be housed in the new development managed by HousingFirst.

'I was fortunate that I didn't have to relocate during the development, and I was able to move straight into one of the new places.

'It was a pleasant surprise – it is a beautiful building and much better than we initially thought. The place is all brand spanking new, like living in a hotel, which is lovely. Family and friends have been extremely impressed with my new home,' she said.

Mary adapted seamlessly to the new apartment; her furniture fits as if it was designed for the space and she enjoys lovely views from her apartment.

\* Name withheld to protect tenant privacy.

# Our purpose and activities

## Housing Australia is the national housing authority.

Our purpose is to improve housing outcomes by helping more Australians to access affordable, safe and secure housing.

### About Housing Australia

Housing Australia was established by the Australian Government under the *Housing Australia Act 2018* (Housing Australia Act) and is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Under the PGPA Act, the Board as the governing body is the accountable authority of Housing Australia.

Housing Australia's Board is responsible for determining strategy, defining risk appetite and making financing decisions, and ensuring the proper, efficient, and effective performance of Housing Australia's functions. The Chief Executive Officer (CEO) reports to the Board and is responsible for the day-to-day administration of the organisation.

Housing Australia is part of the Treasury portfolio of agencies, with our responsible Minister<sup>5</sup> for the reporting period being the Minister for Housing, Minister for Homelessness and Minister for Small Business, the Hon Julie Collins MP (Minister).

Housing Australia performs its functions in accordance with directions given by the Minister to the Board under the Housing Australia Investment Mandate Direction 2018 (Investment Mandate). In March 2024, the Minister issued a revised Statement of Expectations (SOE) for Housing Australia. This outlines the Government's key priorities and objectives for the organisation and sets out the Minister's expectations. In response, Housing Australia's Board responded with a Statement of Intent (SOI) in June 2024, setting out how it will achieve these priorities.

### Our purpose

As the national housing authority, Housing Australia is responsible for supporting the delivery of key programs that form part of the Government's housing agenda, including increasing the supply of social and affordable housing and helping Australians realise home ownership sooner.

Housing Australia's purpose, as set out in section 3 of the Housing Australia Act, is to improve housing outcomes for Australians by:

- strengthening efforts to increase the supply of housing
- encouraging investment in housing (particularly in the social or affordable housing sector)
- providing finance or grants that complement, leverage or support Commonwealth, state or territory activities relating to housing
- contributing to the development of the scale, efficiency and effectiveness of the community housing sector in Australia
- assisting earlier access to the housing market by eligible home buyers.

Housing Australia delivers on its purpose in accordance with the Housing Australia Act, under which it has three specific functions:

- **Financing function:** to make loans and/or grants to eligible entities (including registered CHPs), states and territories, and other eligible entities.
- **Guarantee function:** to provide guarantees to constitutional corporations (including eligible lenders).
- **Capacity building function:** to provide business advisory services and other assistance in capacity building to registered CHPs.

5. The Hon Claire O'Neil MP was sworn in to the role of Minister for Housing and Minister for Homelessness on 29 July 2024.



*The Treasury Laws Amendment (Housing Measures No. 1) Act 2023* removed research into housing affordability as one of Housing Australia's legislated functions under the Housing Australia Act. The National Housing Supply and Affordability Council is now tasked with delivering the bulk of national research on housing supply and affordability matters necessary to advise the Government. Housing Australia's research is now focused on matters that assist in the performance of its prescribed functions and is undertaken within the Research, Data and Analytics team (see Figure 1).

Housing Australia performs its functions in accordance with directions given by the Minister to the Board under the Investment Mandate. As at 1 July 2024, the Investment Mandate provides for the establishment and operation of six key activities, namely:

**- Affordable Housing Bond Aggregator**

Housing Australia makes loans to registered CHPs using money borrowed from the Commonwealth and by raising finance by the issue of bonds on the commercial market. This allows money to be raised on a larger scale and on more favourable terms to those that would be possible for individual CHPs.

**- National Housing Infrastructure Facility**

Housing Australia provides loans and grants for eligible infrastructure and housing projects that would not have otherwise proceeded, or that would only have proceeded at a much later date or with a lesser impact on new social or affordable housing.

**- Housing Australia Future Fund Facility**

Housing Australia provides loans and grants for projects that increase the supply of social and affordable housing and that address acute housing needs across Australia, including in regional, rural and remote areas.

**- National Housing Accord Facility**

Housing Australia provides loans and grants for projects that increase the supply of affordable housing across Australia, including in regional, rural and remote areas.

**- Capacity building**

Housing Australia provides capacity building support to registered CHPs to further develop their financial and management capabilities.

**- Home Guarantee Scheme**

The HGS allows Housing Australia to issue up to a specified number of guarantees in each financial year in respect of eligible loans to home buyers who satisfy the applicable eligibility criteria. The HGS comprises four different guarantee types, as outlined in Table 1.

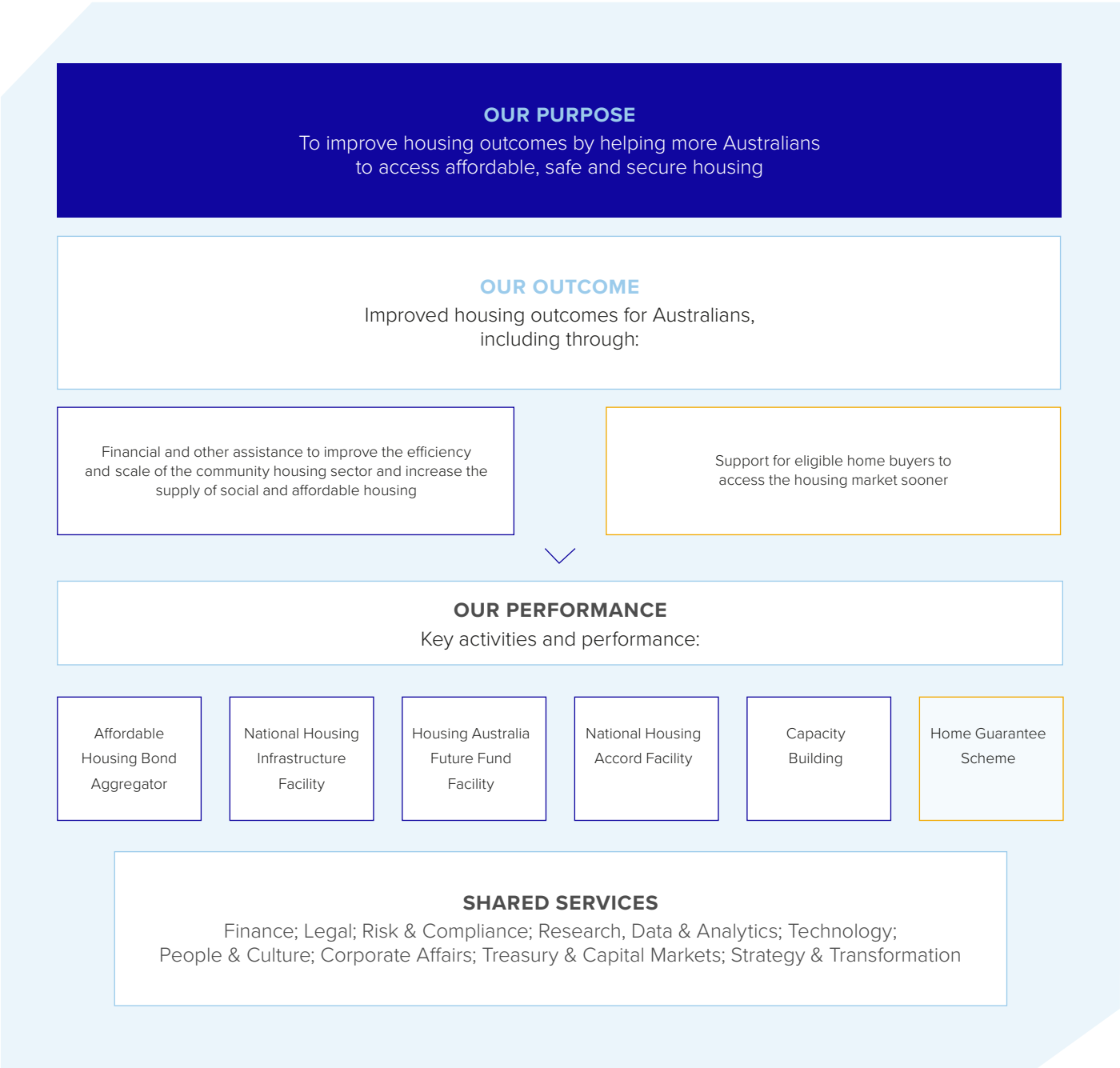
**Table 1: Guarantees administered by Housing Australia**

Scheme	Eligible home buyers	No. of guarantees annually	Deposit requirements
First Home Guarantee	First home buyers and previous homeowners who have not owned a property in Australia in the last 10 years	35,000 from 2022–23	5% of property value
Family Home Guarantee	Single parents, or single legal guardians, with at least one dependent, including those who are not first home buyers	5,000 for 2022–23, 2023–24 and 2024–25	2% of property value
Regional First Home Buyer Guarantee	First home buyers and previous homeowners who have not owned a property in Australia in the last 10 years, living in a regional area	10,000 for 2022–23, 2023–24 and 2024–25	5% of property value
New Home Guarantee	Closed to new applications on 30 June 2022	–	5% of property value

The relationship between Housing Australia's purpose, outcome<sup>6</sup> and activities are shown at Figure 1.

6. Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Housing Australia's outcome is articulated in Commonwealth Budget documentation (2024–25 Portfolio Budget Statement: Treasury Portfolio).

Figure 1: Housing Australia’s purpose









# Aboriginal Community Housing Limited (ACHL)



Elders Village SA, aerial view.

## Project profile

Housing Australia provided a \$3 million NHIF grant to the Kurna Yerta Aboriginal Corporation (KYAC) to build culturally appropriate independent living for Aboriginal Elders in South Australia. Kurna Yerta believe this to be the first purpose-built Aboriginal Elders Village in Australia and say it will promote independent living in a community setting.

The Purrrkanaitya Aboriginal Elders Village located south of Adelaide will provide 40, culturally appropriate, one-bedroom living units plus all the required site infrastructure, to house Aboriginal Elders eligible for social housing.

The Indigenous Land & Sea Corporation provided the land for the project and the construction was funded by grants from the South Australia Housing Trust as well as Housing Australia's contribution of around a quarter of the total development cost.

Stacey Broadbent, ACHL CEO said 'Aboriginal people want more opportunities and a greater say in housing solutions for their communities, and the ability to influence their own housing needs, priorities, and to have a say in the co-design of place-based housing outcomes.

'By collaborating with Housing Australia, we are able to make a real and meaningful impact on housing availability on the ground where it matters. This project is located near a traditional ceremonial meeting place that is still used today and is an important part of the Tjibruke Dreaming. This Village marks a significant leap towards cultural inclusivity and tailored senior living.'

Scheduled to commence in the second half of 2024, with a high level of Aboriginal involvement in the construction process, the \$12.7 million development will feature accessible units, each with a kitchen, dining and living room, and separate bedroom and bathroom facilities.

'With housing a critical factor in closing the health and life expectancy gap between Aboriginal and non-Aboriginal people, the Elders Village will make a substantial impact on the lives of its residents and provide access to housing that is affordable, appropriate and supportive of health and wellbeing,' according to Ms Broadbent.



Elders Village SA, view from north east.

‘With housing a critical factor in closing the health and life expectancy gap between Aboriginal and non-Aboriginal people, the Elders Village will make a substantial impact on the lives of its residents and provide access to housing that is affordable, appropriate and supportive of health and wellbeing.’

---

Stacey Broadbent,  
ACHL CEO

# Annual Performance Statement

For the year ended 30 June 2024





# Annual Performance Statement for the year ended 30 June 2024

## Introductory statement

I, Carol Austin, on behalf of the Board as the accountable authority, present the 2023–24 Annual Performance Statement of Housing Australia, as required under section 39(1)(a) of the PGPA Act.

In our opinion, this Annual Performance Statement is based on properly maintained records, accurately reflects the performance of the entity and complies with subsection 39(2) of the PGPA Act.



**Carol Austin**  
Chair  
Housing Australia

## Housing Australia's performance framework

Housing Australia's performance measures are aligned with our mandate and purpose and have been designed to provide holistic information on our achievement of outcomes through our key activities.

The criteria we report against are set out on pages 8–9 and 34–40 of our 2023–24 Corporate Plan (update March 2024). A summary of outcomes for 2023–24 is presented in Tables 2 and 3 and are detailed on pages 22 to 54.

The Annual Performance Statement has been prepared in accordance with the requirements set out for Commonwealth entities in the Public Governance, Performance and Accountability Rule (section 16EA).

# Annual Performance Statement Summary

## Summary of our performance results

For 2023–24, out of the total 15 performance targets, we achieved 13, partially achieved one and did not meet one (see Table 2).

**Table 2: 2023–24 performance measures with targets**

Performance measure	Outcome
<b>Operation of ABHA – Loans</b>	
AHBA loans approved by Housing Australia Board not to exceed \$7.5 billion liability cap	Achieved
Minimum percentage of AHBA loans approved by Housing Australia Board for supply of new housing	Achieved
<b>Operation of AHBA – Bond issuances</b>	
Number of bonds issuances (including taps to existing bonds)	Achieved
Value of bonds issued (including taps to existing bonds)	Achieved
Percentage of issued bonds certified as meeting Housing Australia's Sustainability Bond Framework	Achieved
<b>Operation of NHIF</b>	
New NHIF facilities (CI and SAH) approved by Housing Australia Board not to exceed \$1 billion limit	Achieved
Number of NHIF applications received	Partially achieved <sup>7</sup>
Turnaround time from receipt of NHIF application to Housing Australia Board approval	Achieved
<b>Operation of HAFFF</b>	
Number of HAFFF funding rounds opened	Achieved
<b>Operation of NHAF</b>	
Number of NHAF funding rounds opened	Achieved
<b>Support for capacity building</b>	
Number of individual CHP and sector-wide capacity grant applications approved	Not achieved <sup>8</sup>
Satisfaction with consulting project and outcomes of using capacity grant	Achieved
<b>Operation of HGS</b>	
Facilitate the release of guarantees to participating lenders <ul style="list-style-type: none"> <li>– First Home Guarantee</li> <li>– Family Home Guarantee</li> <li>– Regional First Home Buyer Guarantee</li> </ul>	Achieved
Receipt of annual lender audits	Achieved
<b>Research, data and analytics<sup>9</sup></b>	
Research and data insights delivered according to Board approved strategy including scope and timeframe	Achieved

7. Refer page 31 for explanation.

8. Refer page 39 for explanation.

9. As noted, the *Treasury Laws Amendment (Housing Measures No. 1) Act 2023* removed research into housing affordability as one of Housing Australia's legislated functions under the Housing Australia Act. In future years, there will be no performance measures reported for the Research function.

**Table 3: 2023–24 performance measures where targets were not set**

Performance measure	Reported 2023–34
<b>Operation of AHBA – Loans</b>	
Number of dwellings supported by AHBA loans	Figure 2 Table 4
Interest savings to CHPs from the provision of concessional loans	Page 24
<b>Operation of AHBA – Bond issuances</b>	
Number and percentage of investors (domestic and international)	Page 27
Issuance spread to the comparable Australian Government Bonds (AGBs)	Table 5
<b>Operation of NHIF</b>	
Number of dwellings supported by new NHIF facilities	Table 6 Table 7
Aggregate value of Permanent Fund	Page 31
<b>Operation of HAFFF</b>	
Number of dwellings supported by HAFFF approved by Housing Australia Board	Page 35
Average level of support for HAFFF-funded dwellings from Housing Australia	Page 35
<b>Operation of NHAF</b>	
Number of dwellings supported by NHAF approved by Housing Australia Board	Page 35
Average level of support for NHAF-funded dwellings from Housing Australia	Page 35
<b>Support for capacity building</b>	
Number of individual CHP capacity grant applications approved	Table 8
<b>Operation of HGS</b>	
Number of homes purchased under the Scheme	Page 41
Average purchase price relative to property price caps	Figure 7
Number of panel lenders	Table 9
Number and percentage of loans in arrears	Page 42
Number and value of claims against the Commonwealth guarantee	Page 42
<b>Research, data and analytics<sup>9</sup></b>	
Input into Housing Australia's key reports and periodic publications into housing insights that assist with business functions	Page 50
<b>High-performing organisation</b>	
Stakeholder engagement to protect and enhance Housing Australia's reputation and the programs it administers	Page 52
Highly experienced, skilled and diverse workforce to enable Housing Australia to deliver its functions	Page 53
Employee engagement	Page 53



# Finance to increase the supply of social and affordable housing

## Performance measures

### 2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
Operation of AHBA – Loans	AHBA loans approved by Housing Australia Board not to exceed \$7.5 billion liability cap	\$300m–\$500m	\$876.8m
	Methodology: Analysis of agency records including reporting to the Housing Australia Board.		
	Minimum percentage of AHBA loans approved by Housing Australia Board for supply of new housing	60%	88%
	Methodology: Analysis of information provided in AHBA loan applications.		

Source: Corporate Plan 2023–24, page 34.

### 2023–24 results for performance measures where targets were not set

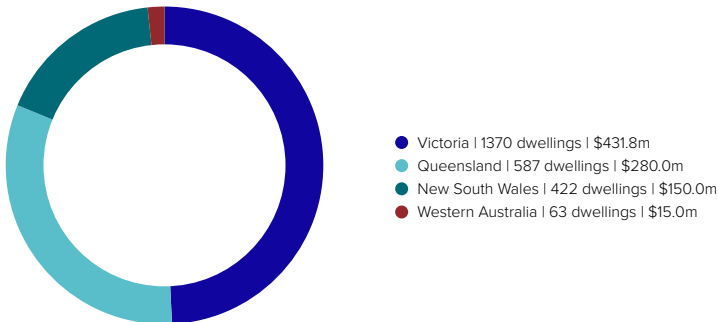
Activity	Performance measure	Reported 2023–24
Operation of AHBA – Loans	Number of dwellings supported by AHBA loans	Figure 2 Table 4
	Methodology: Analysis of information provided in AHBA loan applications.	
	Interest savings to CHPs from the provision of concessional loans	Page 24
	Methodology: Analysis of information provided in AHBA loan applications.	

Source: Corporate Plan 2023–24, page 34.

## Result

The Housing Australia Board approved \$876.8 million in concessional and longer-term loans under the AHBA to four registered CHPs to support the provision of more than 2,400 social and affordable homes, including 88 per cent for new housing supply (Figure 2).

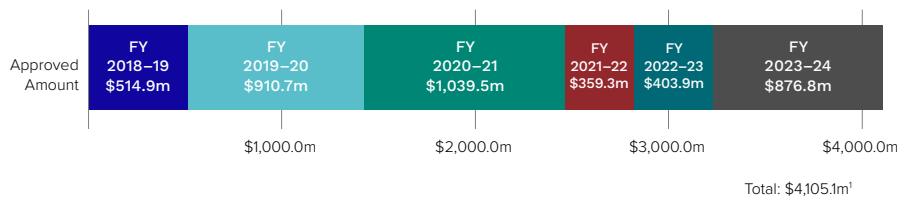
**Figure 2: Housing Australia approved AHBA loan amount in 2023–24, by state and territory**



Performance analysis

Outcomes achieved were spread across several jurisdictions, with demand for AHBA finance remaining strong despite challenges in housing delivery associated with continued escalation in construction costs and interest rates during the period.

Figure 3: Change in overall CHP lending



1. Due to confidential amendments and/or variations to AHBA facilities approved prior to 1 July 2023, the reported approvals are expected to show a variance in comparison to Housing Australia's Annual Report 2022-23.

In Victoria, the AHBA supported the State's Ground Lease Model 2 (GLM2) public-private partnership procurement process, with Housing Australia supporting all shortlisted bidders in a competitive tender process. The successful bid was submitted by Community Housing (Vic) Limited (CHL), for which Housing Australia approved an AHBA construction and term debt facility totalling \$431.8 million (and \$95 million in finance from the NHIF). The GLM2 project will achieve significant impact by supporting the delivery of new dwellings in the Melbourne metropolitan suburbs of South Yarra, Prahran, Hampton East and Port Melbourne with a total of 659 social, 182 affordable, 466 market and 63 specialist disability homes across these locations. GLM2 is an example of Housing Australia working collaboratively with the Victorian Government, CHPs, financial sponsors, commercial banks and institutional investors.



Client	Project	Builder
CHL	GLM1, Vic	Icon
Dwellings	Contract Value	
366	\$154.3m	

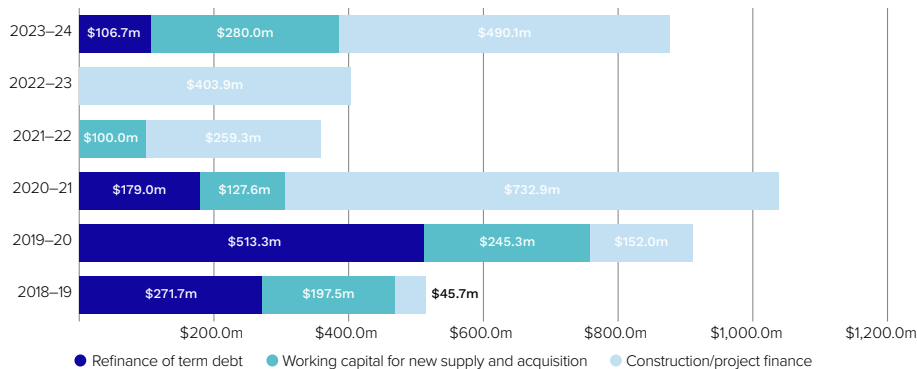


Support for housing delivery in Queensland grew significantly with the support of the State's Housing Investment Fund (HIF). Housing Australia approved a \$280 million AHBA term debt facility (and \$20 million in finance from the NHIF) for Brisbane Housing Company (BHC) and the Queensland Investment Corporation (QIC) to deliver an additional 587 dwellings, comprising 276 social, 286 affordable and 25 market homes across seven sites in regional and metropolitan south-east Queensland. This is the first project where Housing Australia is co-funding with a superannuation fund through the involvement of Australian Retirement Trust (ART).

Housing Australia worked with Housing Plus in providing a restructured finance package offering long-term financing solutions and additional working capital to assist in supporting 422 dwellings across regional NSW. Housing Australia approved an AHBA facility totalling \$150 million which will enable Housing Plus to build or acquire around 160 dwellings aimed at social housing tenants, with a particular focus on crisis accommodation for women experiencing domestic or family violence, and other tenant cohort groups that require immediate housing support.

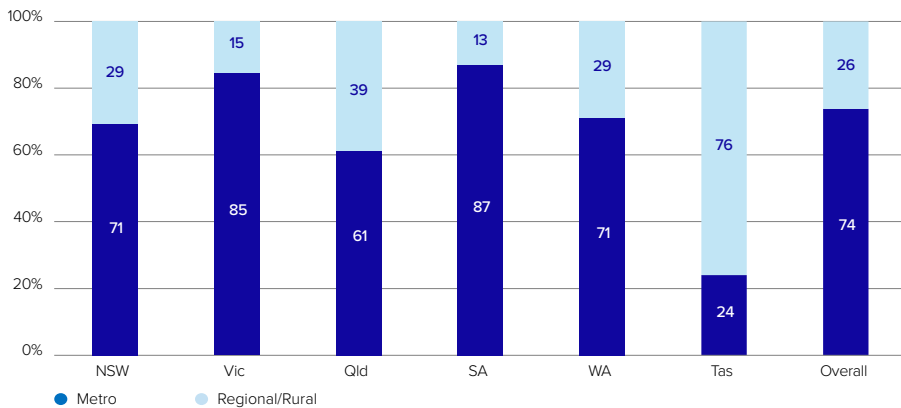
Housing Australia continued to support community housing in Western Australia, with a \$15 million AHBA facility approved for Advance Housing to assist in delivering 63 social dwellings across southern regional WA. These new dwellings will assist in alleviating housing shortages in the Albany region, which has experienced significant increases in social housing waitlist times over the past two years.

Figure 4: AHBA approved lending by type, year on year



By securing concessional and longer tenor finance through the AHBA, these CHPs are estimated to save \$140 million in interest and other fees over the term of their AHBA loans. The CHPs can use these savings to reinvest in new housing supply or assist in managing programs across their housing portfolios to improve the quality of lives for their residents.

Figure 5: AHBA total lending portfolio, dwellings split by metropolitan and regional (%)








Geographic distribution is derived from a combination of Housing Australia's collateral register and Housing Australia's address register and is based on the Australian Statistical Geography Standard (ASGS) Geographic Correspondences. Note: The ACT and NT are not included due to low sample size.

Table 4: Partnering with states and territories as at 30 June 2024

State	AHBA loans approved <sup>1</sup> (\$m)	Total CHPs supported	Total dwellings supported by AHBA loans <sup>2</sup>
NSW	\$2,136.6	17	9,068
Vic	\$1,248.5	9	7,065
Qld	\$404.5	4	1,039
SA	\$133.1	6	659
WA	\$95.0	2	300
Tas	\$87.3	3	722
<b>Total</b>	<b>\$4,105.1</b>	<b>41</b>	<b>18,853</b>

1. Since establishment on 30 June 2018. Total AHBA loans approved includes \$428.9 million of loans approved but later withdrawn by CHPs.
2. The number of dwellings supported is subject to change. Number of dwellings may differ to previous annual reports due to updates in number of dwellings supported in past deals. Unless otherwise updated, dwelling information provided is at the time of the Housing Australia Board approving the loan application.



				
Client	Project	Builder	Dwellings	Contract Value
CHL	GLM1, Vic	Icon	299	\$109.2m

Housing Australia’s construction portfolio continued to expand in 2023–24, with over half of all approved lending for construction

\$210m

in new projects underway supporting 367 new homes

\$608m

in project completions supporting 1,783 new homes

## Performance measures

### 2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
<b>Operation of AHBA – Bond issuances</b>	Number of bond issuances (including taps to existing bonds)	1–2	3
	Methodology: Independent verification by the ANAO from source records which reconcile to financial statements.		
	Value of bonds issued (including taps to existing bonds)	\$200m–\$400m	\$484m
	Methodology: Independent verification by the ANAO from source records which reconcile to financial statements.		
	Percentage of issued bonds certified as meeting Housing Australia's Sustainability Bond Framework	100%	100%
	Methodology: External assurance on bonds issuances.		

Source: Corporate Plan 2023–24, page 35.

### 2023–24 results mapped against performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
<b>Operation of AHBA – Bond issuances</b>	Number and percentage of investors (domestic and international)	Page 27
	Methodology: Independent verification by the JLMs of the bond issuance.	
	Issuance spread to the comparable Australian Government Bonds (AGBs)	Table 5
	Methodology: Independent verification by the JLMs of the bond issuance.	

Source: Corporate Plan 2023–24, page 35.

## Result

Housing Australia issued three bonds (including taps to existing bonds) with a total value of \$484 million and a range of tenors to support AHBA loan facilities. The issued bonds met Housing Australia's Sustainability Bond Framework.



## Performance analysis

In August 2023, Housing Australia increased the existing June 2036 sustainability bond by \$27 million to finance the GLM1 Stage 2 transaction<sup>10</sup> for 285 affordable homes in Victoria.

In November 2023, Housing Australia issued a new \$422 million 15-year sustainability bond to finance the GLM2 transaction. There was strong interest in this AAA-rated, Government-guaranteed bond which was almost two times oversubscribed. A range of new and existing investors took up the opportunity to invest, including insurers, superannuation funds and international investors who recognised the project's social and environmental characteristics.

In December 2023, Housing Australia increased the existing March 2029 social bond by \$35 million for Evolve Housing to finance 93 affordable homes in NSW.

The demand for Housing Australia's social and sustainability bonds remains strong as investors seek diversification, longer duration and exposure to sustainable assets. Across the three bond issuances, 89 per cent were domestic investors and 11 per cent were offshore investors.

The spread of a 10-year Housing Australia bond compared to the equivalent 10-year Australian Government Bonds (ACGBs) has remained stable over this financial year. Reference is made to the 10-year point of the ACGB yield curve as it is a commonly referenced market benchmark (Table 5).

**\$484m**  
in bonds issued in 2023–24

**Table 5: Housing Australia fixed-rate bond issuances against ACGB benchmark**

Issue date	Tenor (years)	Yield (%)	Spread above ACGB benchmark (bps) <sup>1</sup>
28 March 2019	10	2.38	+48.3
27 November 2019	10.5	1.52	+37.8
29 June 2020	12	1.41	+38.0
2 June 2021	15	2.335	+21.7
15 June 2021	10	1.74	+21.5
28 March 2022 <sup>2</sup>	12 (10.25 remaining)	3.14	+34.6
30 June 2022 <sup>3</sup>	15 (14 remaining)	4.725	+58.4
17 August 2023 <sup>4</sup>	15 (13 remaining)	4.775	+43.5
8 November 2023	15	5.785	+54.5
6 December 2023 <sup>5</sup>	10 (5 remaining)	4.470	+29.0

1. Spread above the ACGB of equivalent tenor to the Housing Australia bond issuance.
2. Bond issuance on 28 March 2022 was an increase to Housing Australia's existing 12-year bond issued on 29 June 2020.
3. Bond issuance on 30 June 2022 was an increase to Housing Australia's existing 15-year bond issued on 2 June 2021.
4. Bond issuance on 17 August 2023 was an increase to Housing Australia's existing 15-year bond issued on 2 June 2021.
5. Bond issuance on 6 December 2023 was an increase to Housing Australia's existing 10-year bond issued on 28 March 2019.

10. An extension of the May 2021 GLM1 project to deliver additional dwellings in metropolitan Melbourne, but with a deferred commencement date of August 2023.

# Brisbane Housing Company (BHC)



BHC development site, south-east Qld.

## Project profile

Housing Australia will provide Brisbane Housing Company (BHC) with a \$280 million AHBA loan and \$20 million NHIF loan and grant to support the delivery of 587 new social and affordable homes together with an additional 25 market homes in south-east Queensland.

It is the first project Housing Australia is co-funding with a superannuation fund through the involvement of Australian Retirement Trust (ART) and is a project funded under the Queensland Government's Housing Investment Fund (HIF), with institutional investment manager QIC structuring the financing model.

Spread across seven sites in regional and metropolitan south-east Queensland, the project includes 276 social, 286 affordable and 25 market homes.

It will be delivered over the next three years with four sites already under construction. One site is due for completion in late 2024, and the other three sites due for completion in mid-2025.

A diverse mix of tenants is expected to move into the homes from late 2024, including people over 55, young people at risk of homelessness, women and children escaping domestic and family violence and key workers.

BHC invests in programs and services to support residents with their tenancy, employment, and the creation of cohesive communities.

Rebecca Oelkers, BHC CEO said, 'This partnership with Housing Australia, together with funding support provided by the Queensland Government's HIF Program, has mitigated refinancing risk and helped to provide a level of certainty to investors of a stable, long-term sustainable investment.

'The financing arrangements have assisted in creating a new framework for innovative partnerships between the community housing, private sector and government agencies.

'BHC is incredibly proud to be working with QIC, Australian Retirement Trust, the Queensland Government and Housing Australia to create an innovative approach to financing which will deliver life-changing homes for Queenslanders in housing need.'



BHC development site, south-east Qld.



BHC development site, south-east Qld.

‘This partnership with Housing Australia has mitigated refinancing risk and helped to provide a level of certainty to investors in a stable, long-term sustainable investment.’

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Rebecca Oelkers,  
BHC CEO



## Performance measures

### 2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
<b>Operation of NHIF</b>	New NHIF facilities (CI and SAH) approved by Housing Australia Board not to exceed \$1 billion limit	\$100m–\$300m	\$221.3m
	Methodology: Analysis of agency records to the Housing Australia Board.		
	Number of NHIF applications received	8	7
	Methodology: Analysis of agency records including pipeline reporting to the Housing Australia Board.		
	Turnaround time from receipt of NHIF application to Housing Australia Board	60 business days	30 days
	Methodology: Analysis of information provided in NHIF loan applications.		

Source: Corporate Plan 2023–24, page 36.

### 2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
<b>Operation of NHIF</b>	Number of dwellings supported by new NHIF facilities	Table 6 Table 7
	Methodology: Analysis of information provided in NHIF loan applications.	
	Aggregate value of Permanent Fund	Page 31
	Methodology: Independent verification by the ANAO from source records which reconcile to financial statements.	

Source: Corporate Plan 2023–24, page 36.

## Result

The Housing Australia Board approved \$221.3 million in new NHIF facilities across several jurisdictions (NSW, Qld, Vic and WA), to support critical housing-enabling infrastructure projects and new social and affordable dwellings. Once completed, these projects will support the delivery of up to 2,242 social, affordable and market dwellings across Australia.

## Performance analysis

Housing Australia received seven NHIF applications and requests for two letters of support for bidding parties in state procurement processes in NSW. No further applications were able to be received given funding was fully allocated based on the existing pipeline.

Housing Australia continued to accept expressions of interest for new projects from eligible applicants and focused on progressing projects through the approval process in a timely and efficient manner to deliver more social and affordable dwellings.

The average turnaround time for applications to receive Board approval was 30 days, except for the BHC and QIC transaction (see below) which took over six months due to project delays in the planning and approval process.

In November 2023, Housing Australia approved a NHIF loan of \$95 million to CHL as part of the GLM2 project.

In February 2024, Housing Australia approved a NHIF loan of \$73 million, plus \$15.6 million in grants to Housing Choices WA and Super Housing Partnerships to deliver 219 new apartments made up of 66 social, 44 affordable, 98 market and 11 specialist disability accommodation homes in Perth, in partnership with the State Government and community housing sector.

In March 2024, Housing Australia approved two transactions, including a \$16 million loan and \$4 million grant<sup>11</sup> to BHC and QIC to acquire and operate 587 new social and affordable homes across seven sites in south-east Queensland under the State's HIF.

In June 2024, Housing Australia also supported a \$14.2 million loan and \$3.5 million grant for Hume Community Housing Association to deliver up to 66 social and affordable homes in Western Sydney NSW, as part of a pilot project under the Homes NSW Community Building Partnerships program.

As at 30 June 2024, the NHIF has deployed<sup>12</sup> \$284 million in grants and loans to existing projects, with a further \$654.4 million in the pipeline. This accounts for \$938.4 million of funds allocated to projects of the \$1 billion limit as at 30 June 2024.

# \$221.3m

in new NHIF facilities in 2023–24

11. \$4 million grant is for construction.

12. Deployed refers to NHIF social affordable housing (SAH) and critical infrastructure (CI) disbursed amounts, including capacity building grants disbursed and less amounts repaid.

# Finance to increase the supply of social and affordable housing continued

Table 6: NHIF facilities approved in 2023–24

					Type of project funding	
Project proponent	Project location	Loan and grant (\$m)	State or territory	Housing outcomes <sup>1</sup>	Critical Infrastructure – Transport	Social & Affordable Housing
CHL	Melbourne	\$95	Vic	1,370	659 social 182 affordable	
Housing Choices WA	Perth	\$88.6	WA	219		66 social 44 affordable
BHC/QIC	South-east Qld	\$20	Qld	587		276 social 286 affordable
Hume Community Housing Association/ Land and Housing Corporation	Western Sydney	\$17.7	NSW	66		28 social 38 affordable
<b>Total</b>		<b>\$221.3</b>		<b>2,242</b>	<b>1,029 Social</b> <b>550 Affordable</b>	

1. Housing outcomes includes market and specialist disability accommodation dwellings.

Table 7: NHIF approvals and outcomes as at 30 June 2024

State or territory	Approved NHIF loans and grants (\$m) <sup>1</sup>	Total projected dwellings supported by Board-approved NHIF facilities <sup>2</sup>
NSW	\$298.9	4,282
Vic	\$178.1	3,081
Qld	\$20.0	587
WA	\$88.6	219
SA	\$60.8	1,834
Tas	\$81.7	1,236
NT	\$3.0	12
<b>Total</b>	<b>\$731.1</b>	<b>11,251</b>

1. Includes \$114.4 million of loans and grants approved but later withdrawn by CHPs.  
2. Dwelling information provided at the time of the Housing Australia Board approval and is subject to change.



# Venture Housing

‘We’re pleased to be making a difference in peoples’ lives through the provision of safe, affordable and culturally appropriate homes, and contributing to social and economic impact in Tennant Creek and the NT.’

Karen Walsh,  
Venture Housing CEO



Venture Housing development site, NT.

## Project profile

Venture Housing received a \$3 million NHIF grant to support the construction of 12 social and affordable homes in Tennant Creek, a remote part of the Northern Territory (NT). This will be the first project funded by Housing Australia in the NT. Venture Housing will contribute land and is supported by additional Northern Territory and Australian Government grants.

The housing due for completion mid-2025, will be delivered across three adjoining sites and comprise five social and seven affordable homes.

The new two-bedroom homes will be developed and owned by Venture Housing. The homes will be energy efficient and include high quality design features suitable for the NT climate and ensure operating costs are kept to a minimum.

Karen Walsh, Venture Housing CEO said, ‘Venture Housing is committed to ending homelessness. This development will boost much needed supply of sustainable, well-designed, affordable and quality homes through our partnerships with Government and the private sector’.



Venture Housing development site, NT.

Operation  
of Housing  
Australia Future  
Fund Facility

‘The opening of applications for the Housing Australia Future Fund and National Housing Accord marks a huge step forward.

We’re kickstarting the single biggest investment in social and affordable rental housing in more than a decade.

These new homes are a critical part of our ambitious housing reform agenda which is working across the board – with more help for homebuyers, more help for renters and more help for Australians needing a safe place for the night.’

The Hon Julie Collins MP,  
Minister for Housing,<sup>13</sup>  
15 January 2024

Finance to increase the supply of social  
and affordable housing continued

Performance measures

2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
Operation of HAFFF	Number of HAFFF funding rounds opened	1	1
	Methodology: Based on release of Call for Funding Applications documentation.		

Source: Corporate Plan 2023–24, page 8.

Activity	Performance measure	Target	Result
Operation of NHAF	Number of NHAF funding rounds opened	1	1
	Methodology: Based on release of Call for Funding Applications documentation.		

Source: Corporate Plan 2023–24, page 8.

2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
Operation of HAFFF	Number of dwellings supported by HAFFF approved by Housing Australia Board	Page 35
	Methodology: Based on analysis of agency records including reporting to the Housing Australia Board.	
	Average level of support for HAFFF-funded dwellings from Housing Australia	Page 35
	Methodology: Based on analysis of agency records including reporting to the Housing Australia Board.	

Source: Corporate Plan 2023–24, page 8.

Activity	Performance measure	Reported 2023–24
Operation of NHAF	Number of dwellings supported by NHAF approved by Housing Australia Board	Page 35
	Methodology: Based on analysis of agency records including reporting to the Housing Australia Board.	
	Average level of support for NHAF-funded dwellings from Housing Australia	Page 35
	Methodology: Based on analysis of agency records including reporting to the Housing Australia Board.	

Source: Corporate Plan 2023–24, page 8.

13. The Hon Clare O’Neil MP was sworn in to the role of Minister for Housing and Minister for Homelessness on 29 July 2024.

## Result

Funding Round One for the HAFFF and NHAF programs opened on 15 January 2024 and closed on 22 March 2024.

## Performance analysis

Funding Round One was a significant milestone for the HAFFF and NHAF programs, with a strong response received from CHPs, local, state and territory governments, Indigenous housing providers, Australian Defence Force (ADF)-Veterans housing providers and the residential development, building and construction sectors.

Applications for social and affordable dwellings were received across every state and territory, with a spread of projects across metropolitan and regional areas, and a variety of tenant cohort groups represented, such as women and children experiencing domestic violence, Aboriginal and Torres Strait Islanders, Veterans and key workers.

The programs have also attracted new participants to the social and affordable housing sector, as well as high levels of engagement from private capital funding sources to support the delivery of 20,000 social and 20,000 affordable homes across Australia over five years.

Applications received for funding under round one of the HAFFF and NHAF programs were reviewed by an expert independent panel in alignment with an Evaluation Plan approved by the Housing Australia Board.

The Evaluation Plan set out the methodology, process, principles and governance for the evaluation of applications, in accordance with best practice principles of probity and the key principles of the Commonwealth Grants Rules and Guidelines (2017), and the Evaluation Process outlined to applicants in the Call for Applications.

The panel appointed to review the applications included Housing Australia staff and external representatives with specific experience in social and affordable housing, property development, construction, public sector and policy, finance and government procurement and was supported by a range of multi-disciplinary advisors including legal and probity.

In September 2024, Housing Australia notified applicants of the outcome of their applications for funding under round one of the HAFFF and NHAF programs, with preferred projects progressing through contract negotiations.

‘Housing Australia is a valued partner of the Community Housing Sector. They play a critical role in driving social and affordable housing supply across Australia and creating positive structural change through their program delivery.

‘The Federal Government and Housing Australia are to be applauded for establishing the HAFF. In particular, the Housing Australia Team whose dedication, commitment and resolve resulted in the swift implementation of Round 1.

‘While HAFF is one of many initiatives required to resolve the housing crisis, it is critically important. We look forward to working with Housing Australia on the outcomes of Round 1 and many further rounds of HAFF in the future, putting keys in doors for those who need a home.’

Michelle Gegenhuber,  
CEO PowerHousing,  
15 January 2024



# Mission Australia Housing



Mission Australia Housing, Midtown MacPark.

## Project profile

Housing Australia funding has supported the delivery of 130 affordable homes in Macquarie Park, Sydney as part of Stage 1 of the Midtown MacPark redevelopment.

Midtown MacPark is the first project being delivered through a \$250 million funding agreement between Housing Australia and Homes NSW to accelerate the delivery of 1,084 new social and affordable homes in NSW.

Housing Australia provided Mission Australia Housing with a \$67.9 million AHBA loan for Stage 1 of the Midtown MacPark redevelopment, completed in March 2024.

In addition to the AHBA funding, Housing Australia also provided NSW Land and Housing Corporation (LAHC) with \$42 million in grants and loans through the NHIF for roads, service infrastructure and civil works.

Stage 1 comprises 130 one, two and three-bedroom affordable homes, with tenants including key workers employed across the Macquarie Park area.

The 8.2-hectare precinct will deliver 3,300 new homes over 10–12 years, including 954 new social and 130 affordable homes. Mission Australia Housing will manage the social housing on behalf of Homes NSW and help social housing tenants connect with education, training and employment opportunities in the area.

The new community will include a town plaza, shops, cafes and restaurants; 2.8-hectares of open spaces with green parks, a skate park and playground; and a primary school and two childcare centres.



Mission Australia Housing community space.



Mission Australia Housing community space.

‘For Mission Australia, our focus from day one has been on building a welcoming community where all Midtown residents can thrive. Together, we aren’t just delivering new housing; we’re creating a cohesive and inclusive community where everyone is welcome, feels connected and shares a sense of belonging.’

---

Sharon Callister,  
Mission Australia CEO

Performance measures

2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
Support for capacity building	Number of individual CHP and sector-wide capacity grant applications approved	6–10	2
	Methodology: Analysis of agency records including CHIA quarterly reports.		
	Satisfaction with consulting project and outcomes of using capacity grant	CHPs satisfied	CHPs satisfied
	Methodology: Survey of CHPs with completed projects.		

Source: Corporate Plan 2023–24, page 39.

2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
Support for capacity building	Number of individual CHP capacity grant applications approved	Table 8
	Methodology: Analysis of agency records including CHIA quarterly reports.	

Source: Corporate Plan 2023–24, page 39.

Result

Housing Australia approved two capacity building grant applications in 2023–24. Feedback from CHPs involved in the program was positive.

Performance analysis

Approved capacity grant applications included an individual grant for a Tier 1 equivalent CHP in Victoria to access advisory services to support an application for NHIF finance and an application for a sector-wide capacity building project in Western Australia (Table 8).



**Table 8: Approved CHP capacity building grants, by CHP tier (or equivalent in Vic and WA)**

	Tier 1		Tier 2		Tier 3		Total <sup>1</sup>	
	2023–24	Cumulative	2023–24	Cumulative	2023–24	Cumulative	2023–24	Cumulative
<b>NSW</b>	0	7	0	5	0	1	0	13
<b>Vic</b>	1	2	0	0	0	0	1	2
<b>Qld</b>	0	1	0	4	0	2	0	7
<b>WA</b>	0	1	0	1	0	1	0	3
<b>SA</b>	0	0	0	3	0	0	0	3
<b>Tas</b>	0	0	0	1	0	0	0	1
<b>NT</b>	0	0	0	2	0	0	0	2
<b>Total</b>	<b>1</b>	<b>11</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>31</b>

1. Total includes five grants approved but later withdrawn by CHPs or closed.

Applications were paused during the year due to probity considerations around providing grants to CHPs who may have used the capacity building support to assist them in developing an application for the competitive HAFF and NHAFF Funding Round One. Capacity grants were still able to be provided for applications where HAFF and NHAFF funding was not being sought or where it related to the CHP's operations as a whole.

During the year, five CHPs (approved in previous financial years) provided feedback on the program via a survey at the completion of their projects. All reported that they were very satisfied with the consulting project carried out with the capacity building grant and that it had made ongoing benefits to the organisation.

Comments from CHPs noted that aside from the grant itself, benefits included providing professional development opportunities for staff and greater understanding of the sector and their own organisation's position. It also provided tools that facilitated strategy and planning within their organisations, their boards and external stakeholders which are enabling CHPs to assess, plan and drive their business objectives.

In terms of the grants and the work they covered, CHPs noted the value of working with external consultants, particularly when the CHP has limited capacity for such work. CHPs were pleased with the ability to contact both the Community Housing Industry Association (CHIA) and Housing Australia about their applications, which was seen as efficient and useful.

### Case study: Sector-wide capacity grant

In 2022–23, Housing Australia provided a sector-wide capacity grant to support the development of the SIGMAH (Social Infrastructure and Green Measures for Affordable Housing) calculator at Swinburne University of Technology. The calculator, an Australian first, provides governments, CHPs, and the broader social and affordable housing sector with a robust tool to estimate the wider social and economic benefits of social and affordable housing.

The calculator helps decision-makers understand the system wide benefits a government will incur in areas such as health, policing, and community services by making homes available to those who need them. The calculator also estimates private benefits such as higher consumption, income and educational attainment. It also provides estimates of greenhouse gas and environmental benefits from provision of green spaces, dwelling designs and access to transport options, and measures the dollar value of CO<sub>2</sub> estimates due to the energy performance of new dwellings.

CHIA CEO, Wendy Hayhurst, said the world-first initiative was powerful and innovative. 'For the first time we can quantify the transformative impact social and affordable housing has, not just for the individual but for society more broadly.'

The SIGMAH calculator launched on 3 October 2023.

# Support to buy a home

## Performance measures

### 2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
<b>Operation of HGS</b>	Facilitate the release of guarantees to participating lenders:		
	- First Home Guarantee (FHBG)	35,000	35,000
	- Family Home Guarantee (FHG)	5,000	5,000
	- Regional First Home Buyer Guarantee (RFHBG)	10,000	10,000
	Methodology: Analysis of data from the HGS IT portal.		
	Receipt of lender audits	100%	100%
	Methodology: Analysis of agency records including lender reports.		

Source: Corporate Plan 2023–24, page 37.

### 2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
<b>Operation of HGS</b>	Number of homes purchased under the Scheme	Page 41
	Methodology: Analysis of data from the HGS IT portal.	
	Average purchase price relative to property price caps	Figure 7
	Methodology: Analysis of data from the HGS IT portal.	
	Number of panel lenders	Table 9
	Number and percentage of loans in arrears	Page 42
	Methodology: Analysis of agency records including portfolio management reports.	
	Number and value of claims against the Commonwealth guarantee	Page 42
	Methodology: Analysis of agency records including claims submitted to Treasury.	

Source: Corporate Plan 2023–24, page 37.

## Result

Housing Australia released 50,000 places to participating panel lenders, comprising 35,000 places under the FHBG, 10,000 places under the RFHBG and 5,000 places under the FHG.

All panel lenders completed their annual Scheme audit to assist with ensuring the integrity of the Scheme is upheld and that required eligibility checks are being applied.

## Performance analysis

### Further expansion to the Scheme helps more Australians into homes

The eligibility criteria for the HGS were expanded on 1 July 2023, allowing the Scheme to support more Australians into home ownership in 2023–24 than in any other year since its launch in January 2020. Expanded eligibility includes Australian permanent residents, those who have not owned a property in Australia in the last 10 years, any two applicants purchasing together (instead of married and de facto couples only) and single legal guardians under the FHG.

In April 2024, the Scheme reached a further milestone of supporting more than 150,000 eligible home buyers into earlier home ownership. Since then, the Scheme supported even more Australians, reaching a total of over 168,000 by the end of 2023–24. Almost 33,000 key workers, including teachers, nurses and emergency service workers have been supported, and more than one in three supported were Australians living in regional areas.

Against a backdrop of challenging market conditions for home buyers, demand for the Scheme continued to grow in 2023–24. A total of 36,089 homes were purchased under the HGS, up from 29,787 in 2022–23. Expansion in the eligibility criteria was a key contributor to increased volumes with 13,903 home buyers being newly eligible permanent residents, 76 single legal guardians, 783 previous property owners and 1,560 joint borrowers broadly including parents and children, siblings, and friends. Additionally, almost one in three first home buyers in Australia were supported by the Scheme, compared with one in 10 in the Scheme's first full year of operation in 2020–21.<sup>14</sup>

As at 30 June 2024, lenders had allocated 33,167 (95 per cent) of 35,000 FHBG places. Of these places, 27,003 (81 per cent) of home buyers had signed a contract or settled on their home by 30 June 2024, while the remaining 6,164 (19 per cent) were at early financing stages and looking for a property.

As at 30 June 2024, lenders had allocated 9,396 (94 per cent) of 10,000 RFHBG places. Of these places, 8,043 (86 per cent) of home buyers had signed a contract or settled on their home by 30 June 2024, while the remaining 1,353 (14 per cent) were at early financing stages and looking for a property.

As at 30 June 2024, lenders had allocated 1,244 (25 per cent) of 5,000 FHG places. Demand for the FHG was lower again this year, likely due to lower borrowing capacity for single applicants given higher interest rates and lending policies. Of the places allocated, 1,043 (84 per cent) of home buyers had signed a contract or settled on their home by 30 June 2024, while the remaining 201 (16 per cent) were at early financing stages and looking for a property. A total of 82 per cent of the single parents or legal guardians who purchased a family home were women.

### The Scheme continues to bring forward home ownership for Australians

A survey of HGS participants in 2023–24<sup>15</sup> revealed two out of three respondents would require more time to save for a home if they could not access the Scheme, with more than half of these respondents requiring at least two more years to save. A further one in 10 respondents said they would not be able to purchase in the foreseeable future without access to the Scheme.

Since launch, over 19,600 households have already transitioned out of the Scheme, with almost 9,900 exiting in 2023–24. Of those that have transitioned out, approximately 60 per cent of households have either paid down their loan to below 80 per cent of the original purchase value or refinanced their home loan with some likely to be leveraging an increase in equity.

'The Home Guarantee Scheme is supporting many people that would have not been able to achieve home ownership. Australian Military Bank have a long history of helping the Australian Defence community into their own homes and the valuable support given through participating in the Home Guarantee Scheme has allowed many of our members and customers to realise the dream of home ownership.'

**Darlene Mattiske-Wood,**  
Chief Executive Officer,  
Australian Military Bank

'In the two years since joining the Home Guarantee Scheme as a participating lender, with the support of the team at Housing Australia we've helped over 1,300 Australians – many in regional areas – into homes, whether it be their first home or returning to home ownership. This partnership continues to prove to be a wonderful way for us to achieve our purpose of helping our customers and communities thrive.'

**Paul Juergens,**  
Chief Customer Experience  
Delivery Officer, Newcastle Permanent



**L-R** Jennifer Chew, Chief Program Officer Home Ownership, Housing Australia, David Ross, Associate Director Lender Relationships, Housing Australia, Marnie Fletcher, Defence Bank, Mark Nguyen, Customer Owned Banking Association, Parliamentary Friends of Cooperatives and Mutuals, Parliament House, ACT, 14 February 2023.

14. ABS Lending Indicators – June 2024.

15. Survey response rate of 12 per cent of all guarantees issued in 2023–24.





L-R David Catalano, Bank Australia, Karen Mahood, Associate Director Risk and Lender Compliance, Housing Australia, Jennifer Chew, Chief Program Officer Home Ownership, Housing Australia, David Ross, Associate Director Lender Relationships, Housing Australia, James Chaytor, Director Product Portfolio, Housing Australia, Allan Tran, Bank Australia and Danielle Davies, Bank Australia, Bank Australia Head Office Collingwood, Vic 26 February 2024.

‘QBANK is committed to serving those who serve Queensland and by partnering with Housing Australia we have been able to assist more of our members to buy a home. The Housing Australia team have been supportive of our commitment to our members by helping improve their access to home ownership.’

Paula Hayes,  
Chief Growth and  
Experience Officer,  
QBank

‘Our research shows that 44% of Australians plan to buy a home in the next five years. The Home Guarantee Scheme has an important role in making home ownership more accessible and affordable for aspiring homeowners, and we look forward to continuing to help more Australians into their home through the Scheme’s expanded eligibility criteria.’

Damien MacRae,  
Managing Director – Mortgages,  
Westpac Banking Corporation

Accessibility to the Scheme enhanced with expansion of the lender panel

Westpac Banking Corporation was appointed to the major bank lender panel from 1 July 2023, joining the Commonwealth Bank of Australia and National Australia Bank Limited. As at 30 June 2024, the Scheme had 32 panel lenders across Australia.

Housing Australia continued to work closely with, and respond to feedback from, panel lenders to improve the customer experience and maintain the integrity of the Scheme. The team conducted over 250 formal engagements nationally with panel lenders, and responded to over 11,000 phone and email queries from lenders and members of the public.

Table 9: Participating lender panel representation by state and territory in 2023–24<sup>16</sup>

	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Total
Number of lenders	29	28	29	19	22	15	14	19	33 <sup>1</sup>
Proportion of active lender panel	88%	85%	88%	58%	67%	45%	42%	58%	100%

1. Following the departure of one lender during 2023-24, there were 32 active lenders on the HGS lender panel as at 30 June 2024.

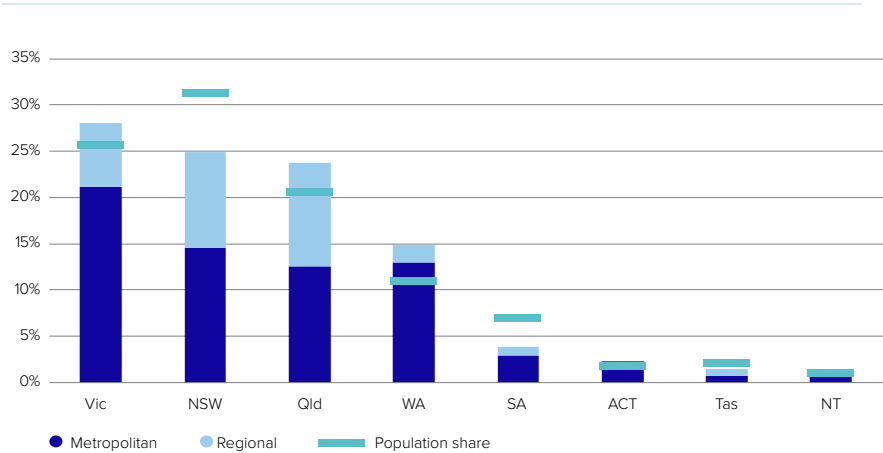
Scheme-backed loan portfolio remains resilient

As at 30 June 2024, 87 (0.1 per cent)<sup>17</sup> Scheme-backed loans were at 90+ days in arrears, with 22 (0.1 per cent) in arrears in NSW, 27 (0.1 per cent) in Victoria, 17 (0.1 per cent) in Western Australia, 16 (less than 0.1 per cent) in Queensland, three (0.4 per cent) in the Northern Territory, and two (less than 0.1 per cent) in South Australia.

One claim for approximately \$36,500 was paid under the Scheme in January 2024. This was the first claim since launch and was made for a property in NSW under the New Home Guarantee.

The annual stress test of Scheme-backed portfolio was conducted again in 2023–24 to forecast possible default and claim scenarios under various macroeconomic conditions. Actual claims performance in 2023–24 was favourable in relation to the forecast under the baseline economic scenario.

Figure 6: Allocation of guarantees issued under the Scheme in 2023–24 by metropolitan or regional area

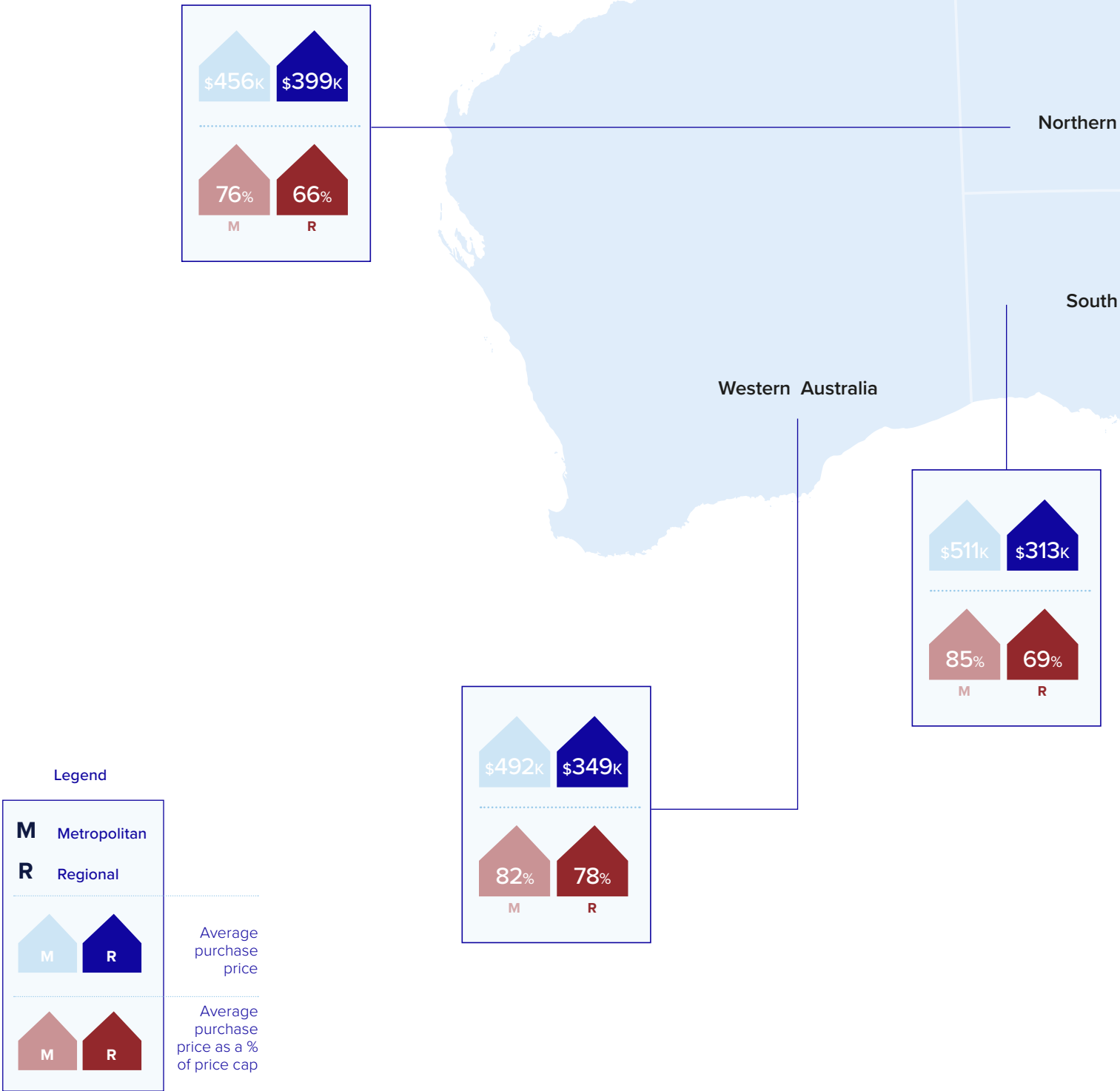


16. Lender participation in each state and territory refers to where the lender has successfully reserved a Home Guarantee Scheme place and supported at least one customer in obtaining a guarantee certificate from Housing Australia in the 2023–24 financial year.  
17. Refers to the percentage of the total portfolio (i.e. settled active guarantees) either nationally or in each state which are in 90+ days arrears.

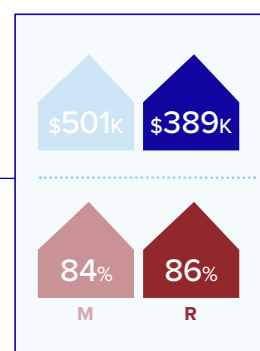
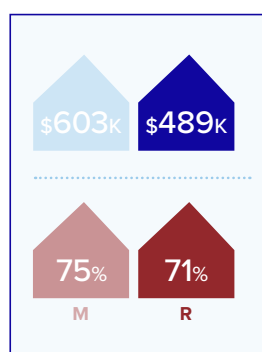
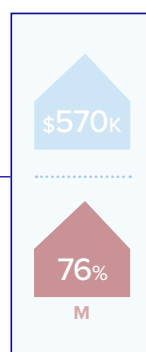
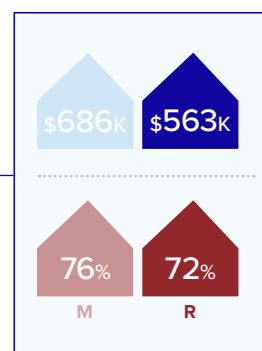
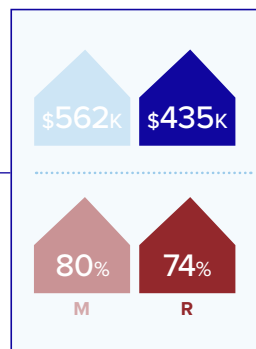




Figure 7: Average purchase price relative to property price caps







**‘When we turned 20, we opened a joint savings account and had a strict savings plan. We were saving seriously for three years to make this happen. It was all about discipline. Once we started putting away a set amount each month, it’s surprising how easy it was to save.’**

Andrew  
Wollert resident

‘Home ownership means independence and stepping into the next part of our lives.’



**Zac and Andrew**  
Wollert residents

Twin brothers Andrew and Zac were amongst the first home buyers to take advantage of the expanded eligibility criteria under the Australian Government’s Home Guarantee Scheme to realise their aspirations of home ownership. The 22-year-old brothers, who work in logistics, obtained a loan through Great Southern Bank to purchase a three-bedroom townhouse in Wollert in Melbourne’s north.

Previously only available to couples or single applicants, access to the First Home Guarantee and the Regional First Home Buyer Guarantee was extended to include any joint applicants family members on 1 July 2023.

As twins often do, Andrew and Zac share similar thoughts on what home ownership means to them – that’s independence.

‘Owning our own home means stepping into the next part of our lives. It’s about gaining independence and taking on more responsibilities,’ said Zac.

**‘Now that we have our own home, we will be able to build equity for our future.’**

Sally and Harry  
Bannockburn residents



**Sally\* and Harry\***  
Bannockburn residents

**‘Our workplaces are five minutes away and our families are ten minutes away. We have a great entertaining area where we can spend time with friends and family.’**

Sally and Harry, a young couple from Bannockburn, purchased their first home with the help of a Regional First Home Buyer Guarantee through Bendigo Bank.

Sally, 22 years old, works as a beauty therapist and Harry, 23 years old, as a plumber. The young couple had saved for a house deposit for seven months and were keen to purchase a home close to their families and workplaces.

They found a property, received pre-approval and signed the contract all within three weeks. They purchased a four-bedroom, two-bathroom home on 780 square meters with the help of a RFHBG.

‘We had some idea of what we were looking for, but this house had everything we wanted. It just ticked all our boxes.’

‘The home is 12 years old, has a double car garage and a great patio area which is ideal for entertaining. The block is a good size with established trees and a large hedge at the front that blocks out all the traffic noise.’

Sally and Harry were initially unsure how the Scheme worked. After meeting with their lender, they realised they may be eligible for a RFHBG.

‘The Scheme allowed us to get into home ownership sooner, as we did not have to save as much for the initial deposit. We were able to move out of our family homes straight into our own home. We don’t have to pay rent and we have an asset that we can grow in value.’

Harry and Sally both grew up on acreages 10 minutes from Bannockburn. ‘Mum and Dad had a bit of land. We would love to get more land in the future and now that we have our own home, we will be able to build equity for our future,’ said Harry.

\* Names withheld to protect privacy of participants. Photo is for illustrative purposes only.

## Support to buy a home continued

### Highlights 2023–24

Almost

**1 in 3**

first home buyers made use of the Scheme<sup>18</sup>

**28%**

of Scheme places went to key workers<sup>19</sup>

**32%**

of home buyers purchased in regional areas

**25%**

of guarantees went to newly eligible permanent residents

The Scheme reached over

**\$44b**

in home loans supported across more than 92,000 active guarantees

Over

**19,600**

households have transitioned out of the Scheme since launch

Over

**1,000**

single parents or single legal guardians purchased a home through the FHG and 82 per cent of these home buyers were female

18. Guarantee Certificates issued in 2023–24 for FHBG, FHG and RFHBG as a proportion of owner-occupied first home buyer loan, ABS Lending Indicators – June 2024.

19. Occupations classified as key workers are schoolteachers; nurses; childcare workers; carers and aides; ADF-members, firefighters, police and other emergency service workers; ambulance officers and paramedics; and social and welfare professionals.







Artist impression of Development WA project, Perth WA.

Housing Australia brings together all levels of government, CHPs, institutional investors, lenders, private sector developers and construction companies, with a shared ambition of delivering more social and affordable housing for Australians.

## Performance measures

### 2023–24 results mapped against performance measures with targets

Activity	Performance measure	Target	Result
<b>Data, analytics and insights</b>	Research and data insights delivered according to Board approved strategy including scope and timeframe	100%	100%
Methodology: Analysis of agency records including reporting to the Housing Australia Board.			

Source: Corporate Plan 2023–24, page 38.

### 2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
<b>Data, analytics and insights</b>	Input into Housing Australia's key reports and periodic publications into housing insights that assist with business functions	Page 50
Methodology: Analysis of agency records including reporting to the Housing Australia Board.		

Source: Corporate Plan 2023–24, page 38.

## Result

Housing Australia released its fourth annual HGS Trends and Insights Report on the first home buyer market and a second collaboration with CBA on first home buyer insights.

## Performance analysis

The Research, Data and Analytics team helped Housing Australia deliver on its purpose to improve housing outcomes by assisting in the performance of its broader functions.

With the implementation of the HAFFF and NHAF programs, the team played an important coordination and advisory role supporting Funding Round One. This involved leading data benchmarking work, including land and construction cost analysis, developing a program definition for affordable housing in consultation with states and territories, and providing data and analysis to assist in evaluating applications received during Funding Round One.

Efforts were also concentrated on providing business decision-making and operational support including:

- developing HAFFF and NHAF data collection plans to capture quality data to monitor program performance and compliance, including new sustainability reporting requirements such as energy efficiency and green star ratings
- looking at ways to improve estimates for the wider social and economic benefits of social and affordable housing (page 39)
- exploring measurement practices to better track an array of outcomes of Housing Australia's programs, such as linking to broader government healthcare, education, payments, personal income tax, and Census data
- refreshing the HGS dashboard to include the expanded eligibility criteria and provide greater insights into the Scheme's performance
- completing over 160 ad-hoc data requests to support broader Government, Board and executive-level activities.



# Building Communities (Vic) Limited (BCVL)

‘Affordable and flexible long-term funding options provided by Housing Australia has been essential to build and sustain affordable housing projects.’

‘Together with our project partner, Building Communities, and funding support from Housing Australia, Homes Victoria is proud to be delivering more and better homes for Victorians through the Ground Lease Model 1 and 2 projects. These projects are replacing outdated buildings that were no longer fit for purpose with new homes that are high quality, accessible and sustainable in the places where people want to live. By working in partnership, we’re able to give more Victorians a safe, secure place to call home.’

Simon Newport,  
CEO,  
Homes Victoria

## Project profile

Housing Australia has provided approximately \$517 million to support the delivery of 1,370 new homes in Melbourne through a partnership with the Building Communities consortium under Homes Victoria’s Ground Lease Model 2 (GLM) project.

The funding comprises a loan of up to \$422 million through the Affordable Housing Bond Aggregator (AHBA) and an additional \$95 million from the National Housing Infrastructure Facility (NHIF).

The new homes will be delivered across four housing projects in South Yarra, Prahran, Hampton East and Port Melbourne. Under the GLM 1 project, Building Communities has delivered 1,084 modern and energy efficient homes with an additional 285 homes under construction. Homes Victoria has leased the land to Building Communities under an availability model to design, build, finance, manage and maintain the housing for 40 years, whilst retaining ownership of the land.

Danny Dracic, Building Communities (Vic) Director and CHL CEO said, ‘Affordable and flexible long-term funding options provided by Housing Australia has been essential to build and sustain affordable housing projects. Housing Australia’s ongoing commitment to funding new social and affordable housing is commendable, as it enables community housing providers such as CHL, to provide much needed homes and community services for hundreds of Victorians at an accelerated rate.’

Ryan Slocombe, Director, Building Communities and Principal of Tetris Capital said, ‘Homes Victoria continues to work with the Building Communities consortium, including Tetris Capital and Community Housing Limited, to ensure this model remains financially viable and sustainable to meet community needs. Collaborating with public and private partners underscores our commitment to creating vibrant, inclusive neighbourhoods and making a positive impact.’

Both GLM1 and GLM2 projects are integral parts of the Victorian Government’s \$5.3 billion Big Housing Build initiative. This ambitious program aims to construct over 9,300 new social homes and 2,900 affordable homes across Victoria.



CHL housing, Melbourne Vic.



Turi Condon, Chief Corporate Affairs Officer, Housing Australia, UDIA National Congress, Melbourne, 19 March 2024.

## Performance measures

### 2023–24 results for performance measures where targets were not set

Activity	Performance measure	Reported 2023–24
High-performing organisation	Stakeholder engagement to protect and enhance Housing Australia's reputation and the programs it administers	Page 52
	Methodology: Analysis of agency records including reporting to the Housing Australia Board.	
	Highly experienced, skilled, and diverse workforce to enable Housing Australia to deliver its functions	Page 53
	Employee engagement	Page 53
	Methodology: Analysis of agency records including workforce data.	

Source: Corporate Plan 2023–24, page 40.

## Performance analysis

### Stakeholder engagement

Housing Australia's growth, capability and engagement activities accelerated as the organisation's responsibilities expanded to support the delivery of the Australian Government's housing policy agenda and the commencement of Funding Round One for the HAFF and NHAFF programs.

Housing Australia continued both targeted program level engagement as well as broad engagement to increase the awareness of Housing Australia and its scope of work, increase the effectiveness of participation in its program of work, and build the capacity of its key program participants.

A priority for stakeholder engagement in the first-half of 2023–24 was to support the preparatory work to establish the HAFF and NHAFF programs and launch Funding Round One.

In February 2023, Housing Australia established an Advisory Group to support preparatory activities and provide strategic guidance on design and implementation of the HAFF and NHAFF programs. The Advisory Group had representation from relevant key sectors including CHPs, property, banks, superannuation funds, institutional investors, construction, legal and the public sector. The Advisory Group met 16 times between February and November 2023. The Group's role was advisory to management and did not extend to any decision-making responsibilities.

Following the launch of Funding Round One for the HAFF and NHAFF programs on 15 January 2024, Housing Australia held 17 information sessions and technical briefings on the programs. Participants were able to attend sessions in each capital city or online to receive information on the programs and application requirements. Around 1,900 individuals attended the online information session held on 18 January 2024 and across all other sessions there were a total of 800 attendees. Across all sessions, representatives were predominantly from CHPs (609), developers and property industry (369), state and territory governments (312), advisory and legal (306), local government (282), banks and financiers (156), investors (65), Aboriginal and Torres Strait Islander housing (30), and ADF-Veterans (6). Housing Australia also held monthly workshops with state and territory governments on engagement and collaboration opportunities.



Responding to the housing needs of priority cohort groups in the community, including women and children experiencing domestic and family violence, First Nations people, older women at risk of homelessness and Veterans, Housing Australia also undertook engagement and communication activities to raise awareness of and encourage applications that addressed these housing needs in Funding Round One.

In consultation with First Nations leaders with expertise in housing, Housing Australia commenced work on a First Nations peoples housing plan. This plan will set out Housing Australia's approach to working with First Nations communities and Indigenous-led organisations, including increasing awareness and participation in the HAFFF and NHAF programs.

Housing Australia presented on the HAFFF and NHAF programs at the Northern Territory Aboriginal Housing and Homelands Conference in April 2024 and at the Third Sector's 5th National Housing and Homelessness Forum in the Northern Territory in May 2024. Meetings were also held with Indigenous housing peak bodies including the National Aboriginal and Torres Strait Islander Housing Association (NATSIHA).

Housing Australia also engaged with a range of other stakeholders representing priority cohorts on how the HAFFF and NHAF programs can assist with housing project opportunities. This included meetings with representative groups for ADF-Veterans, women and children experiencing domestic and family violence, and young people.

More broadly, participation in 24 key industry conferences and events throughout the year provided valuable opportunities for Housing Australia to connect with stakeholders and increase awareness and understanding of its programs. The ongoing requests for Housing Australia to take part in these events demonstrates that the organisation is widely considered an industry leader and important voice within the conversation on housing in Australia.

Participation in 53 other industry association events and meetings, including roundtables with CEOs and CFOs facilitated wider outreach and positioned Housing Australia as a reliable partner. The organisation also assisted with coordinating 25 site visits with the Minister for projects that had received funding from Housing Australia.

### Growth in the business

Housing Australia's growth accelerated during 2023–24. The team expanded from 79 to 138 employees as at 30 June 2024, as the organisation transitioned to become Housing Australia and commenced HAFFF and NHAF Funding Round One.

In view of the short time from legislative approvals and availability of funding, a rapid implementation of the HAFFF and NHAF programs was necessary. This involved using contractors and consultants to enable the organisation to scale up to manage the substantial volume of applications, as well as the assessment, evaluation and approval processes as part of Funding Round One. For future funding rounds, it is anticipated that we will place less reliance on contractors and consultants to undertake this activity, in line with our workforce plan and knowledge transfer from the contractors and consultants.

In addition to creating a Major Program team for the HAFFF and NHAF programs, the organisation recruited additional resources to manage more complex financial transactions, new home ownership initiatives, and manage greater credit, enterprise and operational risks, as well as increasing its legal, technology and finance teams.

Our 2024 engagement survey has been postponed for three to four months due to high workload factors and organisational change and will be reported in the 2024–25 Annual Report.



**L-R** Jennifer Hewett, National Affairs Columnist, AFR, Shane Oliver, Head of Investment Strategy, AMP, Mark Bouris, Executive Chairman, Yellow Brick Road, Nicola Powell, Chief of Research & Economics, Domain and Nathan Dal Bon, CEO, Housing Australia, AFR Property Summit, Sydney, 12 September 2023.



**L-R** Adrian Harrington, Senior Adviser, Lighthouse Infrastructure, Leonie King, CEO, City West Housing, Jon Ross, Chief Origination Director, Housing Australia and Michael Lennon, Deputy Chair, National Housing Supply and Affordability Council, Build-to-Rent Summit, Sydney, 18 October 2024.



Housing Australia employees mark the first day as Housing Australia, Sydney, 12 October 2023.

## High-performing organisation continued

During the year, Housing Australia made a significant investment in its technology with all functions, including operations, cyber security management, development and project management now supported by its own internal team instead of through the service level agreement (SLA) with Export Finance Australia (EFA).

To support our ongoing recruitment and current team, we introduced a new Human Resources Information System to streamline and enhance the employee onboarding process. Additionally, manual processes and email-driven workflows were replaced with digital applications, forms and workflows, streamlining operations across the organisation.

The organisation developed and implemented a new analytics platform solution, enhancing its ability to provide data insights to the organisation and external stakeholders, while also improving data governance, security, and scalability.

To enhance its security posture and remain vigilant against cyber security threats, Housing Australia developed a comprehensive cyber security framework that aligns with Australian Cyber Security Centre advice and guidelines and other industry standards.

The organisation significantly enhanced its cloud-based customer relationship management system (Dynamics 365), now supporting a wider range of functions across the entire business. Additionally, we completed the migration of the last enterprise application to a cloud-based solution, marking a key milestone in our cloud-first strategy. This transition has streamlined Housing Australia's systems while also offering increased capability and scalability.

We enhanced the user experience on our customer facing systems that support our programs. We embraced innovation in technology to streamline its operations, enhance productivity, and improve the customer experience. We simplified documentation requirements and processes to minimise cost and time for applicants. We developed a new application portal that supports both new programs and existing programs.

Given the extensive technology initiatives, establishing robust project governance was essential, with a Project Management Office (PMO) formed to ensure successful delivery of all technology projects.

### Financial sustainability

Housing Australia has continued to maintain sustainability by generating normalised profits for each of the last five financial years. Combined with additional resourcing from the Australian Government, our investment in people, technology and operational efficiency has enabled Housing Australia to effectively deliver the services expected by our customers.

Our financial sustainability has been underpinned by further growth in our loan and investment portfolios which has generated sufficient revenues to cover operating costs and enable the accumulation of reserves.

The reconciliation of statutory profit or loss to normalised profit or loss is shown in the Financial information section on page 74.

### Capital management

Housing Australia is not regulated by the Australian Prudential Regulation Authority (APRA), but instead is guided by its prudential standards with respect to capital adequacy. Housing Australia operates under a Board-approved policy for capital adequacy to ensure sound capital management and ongoing profitability, drawing on APRA guidelines.

Consistent with the Housing Australia Act, over the medium term, Housing Australia will target to increase its capital and reserves through retained earnings to meet the minimum capital adequacy ratio set by the Board. Until then it is unlikely that we will pay dividends.

# Bridge Housing

‘We’re proud to be meeting the growing demand for high quality, sustainable, and affordable homes in great locations that enable our residents to live well.’

Laurie Leigh,  
Bridge Housing CEO



L-R Jonathan Wehbe, Blue Sox Development Manager, Michael Wheatley, Head of Housing Portfolio, Homes NSW, and Christopher Dib, Executive Director, Homes, Bridge Housing.

## Project profile

An AHBA facility of \$76 million from Housing Australia has enabled Bridge Housing to refinance existing projects and acquire or develop new social and affordable housing, including in Greater Western Sydney, NSW.

The most recent acquisition delivered a mixed-use development in Greater Western Sydney, in partnership with Homes NSW. The five-storey project comprises 31 social and 27 affordable homes.

Tenants have access to services delivered in partnership with over 20 specialist support providers from a variety of disciplines along with community development programs.

Laurie Leigh, Bridge Housing CEO said, ‘This development demonstrates a successful partnership between government, non-profit, and private enterprise to deliver new homes in Western Sydney for people bearing the brunt of the rental and cost of living crisis.’



Bridge Housing, Greater Western Sydney.

# Governance







# Governance structure

Housing Australia is committed to maintaining high standards of corporate governance which it considers essential to being a long-term sustainable organisation and to continually act in the best interests of the Australian public.

## Our Minister

The duties of the responsible Minister in relation to Housing Australia are set out in the Housing Australia Act. These include that the Minister appoints the Board and may provide directions about the performance of Housing Australia's functions in the form of an Investment Mandate, including in relation to such matters as strategies and policies the organisation must observe, decision-making criteria, limits on financial assistance, and risk and return on investments. The Investment Mandate may not, however, direct the Board in relation to particular financing decisions.

The Minister also issues a Statement of Expectations (SOE). The SOE outlines the Government's key priorities and objectives for the organisation and sets out the Minister's expectations. The Board indicates its intentions to meet these expectations through a corresponding Statement of Intent.

Details of Ministerial directions received in 2023–24 are set out on page 72.

## Our Board and Audit and Risk Committee

The Board is ultimately responsible for the overall operation and stewardship of Housing Australia and reports to Parliament through the Minister. In performing its role, the Board decides – within the scope of the Investment Mandate – the strategies and policies to be followed by Housing Australia. It monitors compliance with those strategies and policies, defines Housing Australia's risk appetite, makes financing decisions and otherwise ensures the proper, efficient and effective performance of Housing Australia's functions. For more information on Board members, see pages 61–65.

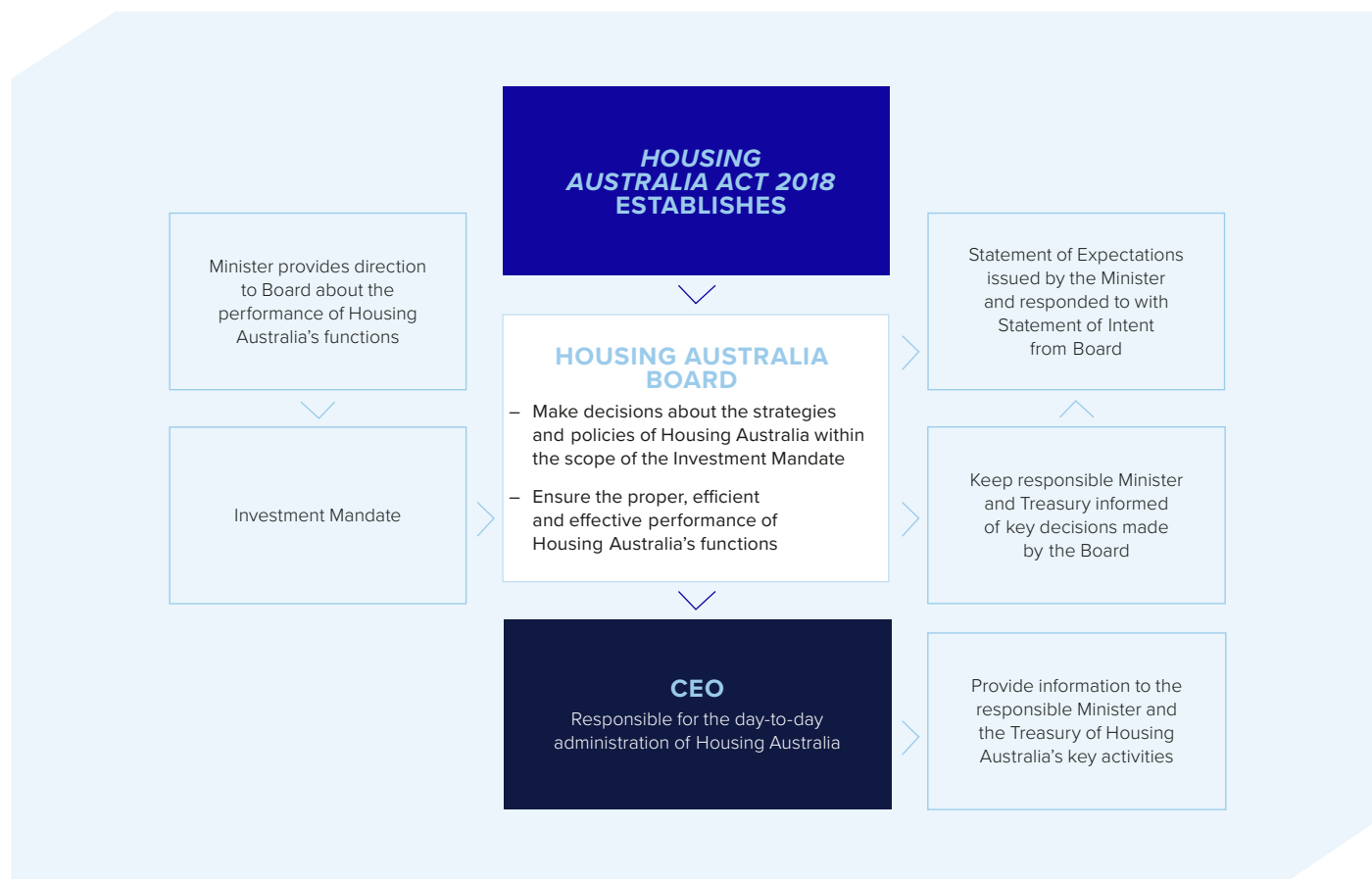
The Audit and Risk Committee (ARC) and external and internal audit functions also provide valuable internal and external oversight.

The Board Charter and ARC Charter can be found on our website: [www.housingaustralia.gov.au/governance/committees-and-charters](http://www.housingaustralia.gov.au/governance/committees-and-charters).

For information on Board member attendance at Board and ARC meetings, see page 66.



**Figure 8: Housing Australia's governance structure**



# The Board

Housing Australia is governed by an independent Board of non-executive members as its accountable authority.

In 2023–24, the Board increased in size by two members to reflect its increased functions and responsibilities. Two Board members completed their terms of appointment and three new members were appointed (see page 66 for more information).

## Board committees

To assist the Board to discharge its responsibilities, the Board has established several committees: the ARC; the Investment Committee and the People and Culture Committee.<sup>20</sup>

Each committee is governed by its own charter, detailing its roles and responsibilities, membership requirements and frequency of meetings (Table 10).

The Research Board Reference Committee was discontinued in September 2023 and the Bond Issuance and Due Diligence Management Committee (BIDDMC) was replaced by a management committee (the Asset and Liability Committee) in May 2024.

Table 10: Housing Australia Board Committees as at 30 June 2024

Committee	Roles and responsibilities	Frequency of meetings
ARC	Assists the Board by reviewing the appropriateness of the Board’s financial and performance reporting, risk management and internal controls.	At least three times per year
Investment Committee	Assists the Board with oversight of Housing Australia’s asset portfolio including all loans (other than Treasury loans), grants and facilities.	Quarterly and at any other time considered necessary
People and Culture Committee	Considers and makes recommendations to the Board regarding the strategic direction and oversight of people and culture matters at Housing Australia.	At least three times per year

Further details of the responsibilities of the committees are set out in each committee’s charter. The charters are reviewed annually and copies are available on our website: [www.housingaustralia.gov.au/governance/committees-and-charters](http://www.housingaustralia.gov.au/governance/committees-and-charters).

Housing Australia has also established several management committees which report directly to the CEO, including the Credit Committee, an Executive Risk and Compliance Committee, Asset and Liability Committee and Sustainability Management Committee.



L-R Board members Matina Papathanasiou, Carol Austin, Mary Ploughman, Hon Richard Wynne, Jane Hewitt, Kelvin Ryan, Cathie Armour, Nigel Ray PSM.

20. The Investment Committee and the People and Culture Committee were established in May 2024.



# Board members



**Carol Austin**

**Chair**

**Term of appointment**

5 June 2023 to 4 June 2028

Carol has over 30 years' experience in the finance industry and is currently Chair of the ACT Government Investment Advisory Board, and a director of NSW State Super, the Grattan Institute and Infoxchange, and a member of the Investment, Audit and Risk Committee of the General Sir John Monash Foundation.

Her previous board roles include a director of HSBC Bank Australia, the Tasmanian Public Finance Corporation, and a guardian of the Future Fund. She recently served as a member of the Independent Panel appointed to review the Australian Energy Regulator's draft 2022 Rate of Return Instrument. Carol has also served on the advisory boards of the Australian Office of Financial Management and the Melbourne Institute of Applied Economic and Social Research and was a Commissioner with the NSW Independent Planning Commission.

Her executive career included economic research/senior management roles with the Reserve Bank of Australia, BHP, Contango Asset Management, Rothschild Australia Asset Management and Commonwealth Funds Management.

Carol holds a Bachelor of Science from Monash University and a Bachelor of Economics (Hons) from ANU. She is a Fellow of the Australian Institute of Company Directors and a member of Chief Executive Women.



**Cathie Armour**

**Member | ARC | Investment Committee | BDDMC**

**Term of appointment**

26 October 2023 to 25 October 2028

Cathie was appointed to the Housing Australia Board in October 2023. Cathie's executive experience includes senior roles in investment banking, law and regulation across both the public and private sectors.

Cathie is currently a Non-Executive Director for Cboe Australia Pty Ltd, Member of the NSW Independent Liquor and Gaming Authority, Member of the PwC Audit Quality Advisory Board and a Director of Suicide Prevention Australia.

Cathie was previously a Commissioner of the Australian Securities and Investments Commission (ASIC), General Counsel at Macquarie Capital and also an Executive Director of Macquarie Group, Corporate Legal Counsel at JP Morgan and previously worked in private legal practice in Sydney and New York.

Cathie holds a Master of Laws from University of Sydney, and Bachelor of Laws and Bachelor of Economics from Australian National University. Cathie is a graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.

## Board members continued



**Jane Hewitt**

**Member | ARC Chair | BDDMC**

**Term of appointment**

26 July 2021 to 31 August 2024

Jane Hewitt was appointed a non-Executive Director of Mirvac in December 2018. Jane has over 27 years' experience in real estate development and asset management. She founded UniLodge in 1996 and pioneered the corporatisation and professional development and management of student accommodation facilities on and off University campuses in Australia and New Zealand.

As an entrepreneur and founder Jane has extensive operational experience and a strong track record in developing successful partnerships in real estate and business ventures. She developed UniLodge into an operation with assets of approximately \$1 billion.

More recently, Jane has worked with Social Ventures Australia and currently serves on a non-profit board as Chair of the Beacon Foundation.

Jane is Chair of the Housing Australia Audit and Risk Committee (ARC).



**Matina Papathanasiou**

**Member | Investment Committee Chair | People and Culture Committee**

**Term of appointment**

30 November 2023  
to 29 November 2028

Matina was appointed to the Housing Australia Board in November 2023. Matina's extensive executive experience includes senior roles in investment, asset management, institutional funds management, infrastructure and investment banking.

Matina is currently a Non-Executive Director of Tilt Renewables and a Member of the Investment Advisory Board of the UNDRR.

Matina's executive career includes over 17 years as the co-founder of the QIC infrastructure investment business which manages \$32 billion in unlisted equity investments globally. She has 20 years of board experience as a director including Port of Melbourne, Hobart airport, Brisbane airport, North West/M7 roads group, TransGrid, Epic Energy, Pacific Solar and India Infrastructure holdings.

Her prior executive experience was with AMP Capital – infrastructure, Bankers Trust and Macquarie Bank and as a tax adviser with Arthur Andersen.

Matina has a Bachelor of Laws and Bachelor of Commerce from the University of NSW. Matina is a graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.

Matina is Chair of the newly established Housing Australia Investment Committee.



## Mary Ploughman

**Member | People and Culture  
Committee Chair**

**Term of appointment**

30 November 2023  
to 29 November 2028

Mary brings 30 years of leadership, financial services, capital markets, securitisation, mergers and acquisitions, governance and risk management experience from her roles with a range of financial institutions, infrastructure and not-for-profit boards in Australia and New Zealand.

Mary is an experienced and accomplished CEO and Board member with a background in both ASX-listed and publicly unlisted companies.

She is currently Chair of Plenti Group, a Non-Executive Director of Prospa Group and Qualitas, Chair of Pitcher Partners, and advisor to Indigenous Business Australia and Gresham Partners.

Mary holds a Bachelor of Economics from University of Sydney, and is an Associate of the Securities Institute of Australia, and graduate of the Australian Institute of Company Directors.

Mary is Chair of the newly established Housing Australia People and Culture Committee.



## Nigel Ray PSM

**Member | ARC | Investment  
Committee**

**Term of appointment**

1 June 2023 to 31 May 2028

Nigel has over 35 years' experience in public policy and economic analysis, and in addition to serving as a Housing Australia Board member, is undertaking advisory work, including as Deputy Chair of the Australian Government's Aged Care Taskforce. He retired from the Australian Public Service in January 2023.

From November 2020 until November 2022, Nigel was an Executive Director of the World Bank Group, representing Australia and 14 other countries on the Bank's boards. He was Chair of the Board's Committee on Corporate Governance and Executive Directors' Administrative Matters. From November 2018 until November 2020, Nigel was an Executive Director of the International Monetary Fund, representing a constituency of 15 countries, including Australia.

Following a role at the Office of National Assessments, Nigel joined the Commonwealth Treasury in December 1988. From the mid-1990s, he held a range of senior executive positions, including as Deputy Secretary (Fiscal) from 2008–2015 and Deputy Secretary (Macroeconomic) from 2015–2018, when he also served as Australia's G20 Finance Deputy and was a member of the Australian Statistics Advisory Council.

In 2013, Nigel was awarded a Public Service Medal for outstanding public service. He holds Master of Economics and Bachelor of Laws degrees from the University of Sydney.

Board members continued



**Kelvin Ryan**  
Member | People and Culture Committee | Research Board Reference Committee

**Term of appointment**  
19 July 2021 to 18 July 2026

Kelvin was appointed to the Housing Australia Board in July 2021 after performing senior roles in the construction industry since 1998. Initially he worked as a supplier with Boral Ltd and from 2003 onwards as the CEO of two of the largest residential building companies in Australia – BGC Residential and Simonds Group Limited.

Prior to moving into the construction industry, Kelvin held senior executive positions in the mining and manufacturing sector at Downer Ltd, Fletcher Challenge NZ, Aditya Birla Canada and WMC Resources.

Kelvin has a wealth of experience in delivering affordable housing solutions and associated financing options, having presided over the financing and construction of tens of thousands of new homes and numerous residential construction projects. He holds a Bachelor of Education from the Western Australian College of Advanced Education and a Master of Science degree from Griffith University.



**Hon Richard Wynne**  
Member

**Term of appointment**  
1 June 2023 to 31 May 2028

Richard spent over 12 years as the Victorian Minister for Planning and Housing. During this time, he initiated significant changes to Victoria’s housing sector, including the Big Housing Build. Prior to his appointment as Minister for Planning and Housing, he held several Ministerial portfolios including Local Government, Aboriginal Affairs and Multicultural Affairs.

During his time as a Member of the Victorian Parliament, Richard served as Parliamentary Secretary for Justice and Cabinet Secretary.

He is a former Lord Mayor of Melbourne and served as a Melbourne City Council member.

Richard started his career as a social worker at the Flemington Community Health Centre where he worked in the public housing towers for seven years.

He retired from State politics in 2022 and was Victoria’s longest serving Planning Minister.



## Members whose term ended in 2023–24

The biographies below reflect while serving on the Housing Australia Board.



### Tony De Domenico OAM

**Member | ARC | Research Board  
Reference Committee Chair**

#### **Term of appointment**

10 April 2019 to 9 April 2024

Tony has over 40 years of experience across government, corporate, community and education sectors both domestically and internationally. Tony currently Chairs the Boards of Plastic Oceans Australasia and Bertocchi Food Group and is a director of Common Equity Housing Ltd. He is a Life Member of both the Urban Development Institute of Australia and the Italian Chamber of Commerce and a Corporate Life Governor of The Royal Life Saving Society ACT.

Tony was previously the Executive Director of the Urban Development Institute of Australia, Chair of Places Victoria, Deputy Chair of Development Victoria, and has served on the Council of La Trobe University including a term as Deputy Chancellor. He was Chair of the Australian Housing and Urban Research Institute (AHURI) from 2014–2018.

Tony has extensive diplomacy experience, serving as a trade and investment diplomat based in Milan, and from 1992–97 he was elected to the ACT Legislative Assembly where he was appointed Deputy Chief Minister, Minister for Urban Services, and Minister for Economic Development and Regulatory Reform. Tony was awarded a Medal in The Order of Australia at the Queen's Birthday Honours List in 2018 for his contribution to urban planning, research and development in Victoria.



### Teresa Dyson

**Member and Acting Chair from  
1 April 2023 to 4 June 2023 |  
ARC Chair | BIDDMC**

#### **Term of appointment**

26 July 2018 to 25 October 2023

Teresa is an experienced company director and chair following over 20 years practising as a senior taxation lawyer advising on infrastructure transactions, financing, corporate tax, mergers and acquisitions, the not-for-profit sector, and tax controversy matters.

Teresa is currently a director on the boards of Genex Power Ltd, Seven West Media Ltd, Shine Justice Ltd, FARE, Energy Queensland Ltd, Gold Coast Hospital and Health Board and Brighter Super. Teresa is also a member of the Takeovers Panel and the Foreign Investment Review Board.

Teresa has formerly served as the Chair of the Law Council of Australia, Business Law Section and has also been a Partner at Deloitte and Ashurst (formerly Blake Dawson). She is a former Chair and member of the Board of Taxation. Teresa holds a Bachelor of Arts, Bachelor of Laws (Hons) and Master of Taxation from the University of Queensland, a Master of Applied Finance from Macquarie University, and is a Graduate of the Australian Institute of Company Directors. Teresa has been admitted as a solicitor in New South Wales, Victoria, Queensland and to the High Court of Australia.

# Board operations

## Meeting attendance

During the year, the Housing Australia Board held eight meetings and 14 special meetings and the ARC held nine meetings (Table 11).

**Table 11: Board member meeting attendance 2023–24**

Member	Board meetings		Special Board meetings**	ARC meetings	
	Eligible to attend	Attended	Attended	Eligible to attend	Attended
<b>Carol Austin</b>	8	8	14	9	9*
<b>Cathie Armour</b>	5	4	9	7	7
<b>Tony De Domenico OAM</b>	6	6	10	7	7
<b>Teresa Dyson</b>	3	3	3	2	2
<b>Jane Hewitt</b>	8	7	10	9	8
<b>Matina Papathanasiou</b>	5	4	8	6	2*
<b>Mary Ploughman</b>	5	4	5	6	1*
<b>Nigel Ray PSM</b>	8	8	13	9	9
<b>Kelvin Ryan</b>	8	7	10	9	2*
<b>Hon Richard Wynne</b>	8	8	14	9	1*

\* Represents non-committee members, whose attendance is optional.

\*\* Additional Board meetings scheduled out of session.

## Members whose term ended in 2023–24

Teresa Dyson and Tony De Domenico OAM ended their terms as Board members during 2023–24.

## Members appointed in 2023–24

Board appointments included Cathie Armour, Matina Papathanasiou and Mary Ploughman.

ARC appointments included Cathie Armour as a member.

## Transactions with Board members and related entities of Board members

Board members have made appropriate disclosures in respect of transactions that Housing Australia has undertaken where they may have, or may be perceived to have, a material personal interest.

## Declared conflicts and potential conflicts of interest

All Board members complete a declaration of personal interests to disclose any interests or other directorships held on appointment and update that disclosure at the commencement of every Board meeting.

Where a Board member has an actual, apparent or potential conflict of interest in relation to a potential decision, an appropriate conflict management plan is implemented in accordance with Housing Australia policy and legislative requirements.

A conflicts of interest register is maintained to record Board members' disclosed interests. Minutes from Board meetings record recusals as and when they occur.

## Indemnities and insurance

Our Board members and employees are indemnified, as permitted by law, in relation to liabilities and related legal costs incurred as officers of Housing Australia.

We also maintained and paid premiums for professional indemnity insurance and directors' and officers' liability insurance, including cover for certain legal costs. In total, we paid \$319,550 in premiums during 2023–24.

We did not pay out any amounts in connection with any Board member or employee indemnities during the year.

# Our people

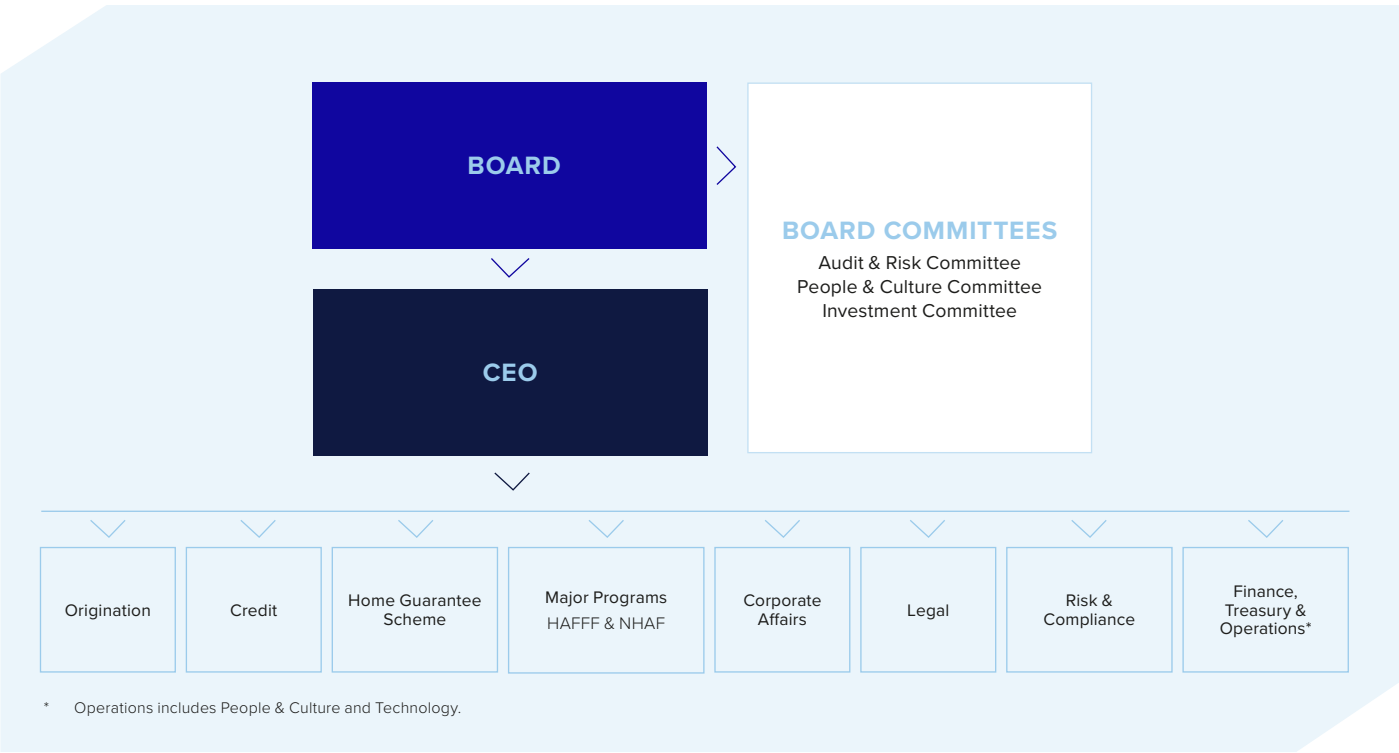
## Structure and workforce profile

Housing Australia is committed to operating as a high-performance organisation that empowers and supports its people. Having grown from 79 employees to 138 over the 12 months to 30 June 2024, we work hard to create an environment and culture that attracts and retains the talent we need to deliver on our purpose and the Government’s objectives, while creating value for our stakeholders and customers.

Our professional, highly motivated, diverse and experienced team bring a wealth of knowledge from both the private and public sectors. Our people are employed under the Housing Australia Act on common law contracts and are not members of the Australian Public Service.

Housing Australia’s Executive team in 2023–24 comprised the CEO, CFO/COO plus seven senior executives overseeing key business areas (Figure 9).

Figure 9: Corporate governance structure at Housing Australia as at 30 June 2024



While the majority of employees are based in our Sydney head office, we have a small number based in Canberra and in 2023–24 we also established a satellite office in Melbourne with around 10 staff in line with our plan to expand our national footprint.

## Workforce profile

**Table 12: Number of employees**

Classification	30 June 2024	30 June 2023	30 June 2022
Full-time employees (ongoing)	118	71	47
Part-time employees (ongoing)	5	2	1
Full-time employees (non-ongoing)	13	6	2
Part-time employees (non-ongoing)	2	0	1
<b>Total employees</b>	<b>138</b>	<b>79</b>	<b>51</b>

**Table 13: All ongoing employees current reporting period (2023–24)<sup>1</sup>**

	Man/Male			Woman/Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	58	–	58	49	4	53	111
Qld	3	–	3	–	–	–	3
Vic	3	–	3	2	1	3	6
WA	1	–	1	–	–	–	1
ACT	1	–	1	1	–	1	2
<b>Total</b>	<b>66</b>	<b>0</b>	<b>66</b>	<b>52</b>	<b>5</b>	<b>57</b>	<b>123</b>

1. No employees identified as non-binary or use a different term.

**Table 14: All non-ongoing employees current report period (2023–24)<sup>1</sup>**

	Man/Male			Woman/Female			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	1	–	1	9	1	10	11
Vic	1	–	1	2	1	3	4
<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>11</b>	<b>2</b>	<b>13</b>	<b>15</b>

1. No employees identified as non-binary or use a different term.



## Building capability, culture and connection

Our people strategy is focused on:

- **Capability:** Building capabilities to scale up to meet our changing operating context.
- **Culture:** Enabling a culture of ownership and leadership at all levels, to challenge the status quo, unlock opportunities, deliver results and manage risks.
- **Connection:** Maintaining a connected, inclusive environment where our people feel they belong, have a voice, are engaged and can thrive.
- **Collaboration:** Evolving our One Team operating context to meet our business, customer and stakeholder needs and create stronger cross-collaboration between teams.

## Workforce highlights

As a purpose-led organisation, our culture supports our people to thrive and deliver results.

### Enabling talent and building capability

This year, we substantially increased the diversity of skills and experience within each team and across our organisation generally, as well as achieved gender balance and an increased number of women in our senior leadership team and the level below.

We continued our focus on investing in our people through coaching, mentoring, internal and external training for individuals and teams, peer group learning and ongoing wellness initiatives.

### Investing in our leadership team

We expanded several functions and refreshed our leadership team with new appointments in our Origination, Credit, Legal, Risk and Compliance and Major Programs teams.

We also continued to provide coaching, professional development opportunities and wellness initiatives for our leaders, as well as ensuring all business-critical roles have effective second in commands to reduce key person risk.

## Creating an engaging workplace

To support our current and future growth, we moved our head office to 420 George Street, Sydney in July 2024. The building has a 5-Star Green Star (v2) rating for design, and a 5-star NABERS Energy rating. The combined ratings demonstrate a dedication to minimising environmental impacts and energy costs in the future, as well as providing a healthy working environment. In addition, the space is scalable and can be increased or reduced in line with our future needs.

We are confident our people will thrive in our new premises, with multiple working and seating options, flexible break-out spaces and modern facilities in a vibrant location in the Sydney CBD.

## Diversity and inclusion

Our focus on creating a diverse and inclusive workplace is demonstrated by a virtually equal gender balance, a predominance of female leaders, and a continuing average of around 50 per cent of people from non-English speaking backgrounds (see Appendix B for more information).

During the past year, we created greater diversity across all teams and continued our focus on hiring from a diverse pool of talent.

## First Nations and social engagement

We continued to build on our Reconciliation Action Plan (RAP) by identifying opportunities to assist in facilitating housing projects for First Nations people through our funding programs. Current advanced projects include an Elders Village in the Northern Territory and independent living units proposed for occupation by Aboriginal and Torres Strait Islander Elders in South Australia.

Our people participated in National Reconciliation Week, attending a session with a guest speaker on First Nations housing opportunities and obstacles. RAP Working Group members also attended a number of NAIDOC Week events in 2023. We also refreshed the members of our RAP Working Group in early 2024.

# Our approach to risk management

## Risk management

As the organisation has grown, our approach to risk management has evolved and we continue to strengthen our risk management framework reflective of our commitment to continuous improvement across our governance activities.

In 2023–24, we reviewed and updated our Risk Taxonomy and revised our Risk Appetite Statement (RAS) as our responsibilities increased during the year with the new HAFFF and NHAFF programs.

Housing Australia continues to work to identify and manage risk to manage the likelihood and consequence of a risk event.

## Risk management oversight

Housing Australia’s Risk Management Framework aligns to the Commonwealth Risk Management Policy and ISO31000. Underlying risk is managed in accordance with the relevant obligations contained in Commonwealth legislation (including the Housing Australia Act, Investment Mandate and PGPA Act), relevant state and territory legislation and consistent with the RAS approved by the Board as Housing Australia’s accountable authority.

Housing Australia’s approach to risk is:

- **Dynamic.** The Housing Australia Board will review the RAS on a regular basis in conjunction with the corporate plan and relevant Government policy (such as the Investment Mandate).
- **Defined.** Requires Housing Australia to operate within defined tolerances and governance procedures.
- **Encompassing.** Provides a roadmap that guides our internal risk culture and sets boundaries defined by principles and metrics (both quantitative and qualitative) which are considered collectively.
- **Judgement based.** Recognises that articulating risk appetite is a complex process balancing many different views, but ultimately is a question of judgement.

Housing Australia operates a ‘three lines of defence’ model for managing risk (Figure 10):

1. Business functions take responsibility for risks within their own operations.
2. Internal but independent risk and compliance functions review our risk management policies, frameworks and procedures as well as advising on risk and controls.
3. Audits and reviews by internal auditors and other specialists provide detailed reports on improving our risk management approach.

Figure 10: Three lines of defence model

ACCOUNTABLE AUTHORITY		
Accountable for oversight of risk management for Housing Australia as well as promoting positive risk culture. The accountable authority determines the risk appetite.		
FIRST LINE OF DEFENCE (1LOD)	SECOND LINE OF DEFENCE (2LOD)	THIRD LINE OF DEFENCE (3LOD)
<b>BUSINESS UNIT MANAGERS</b> <ul style="list-style-type: none"><li>• Operating management</li><li>• Decision making</li><li>• Risk &amp; control owner</li></ul>	<b>RISK AND COMPLIANCE</b> <ul style="list-style-type: none"><li>• Limited independence from operations</li><li>• Design &amp; implement risk management framework</li><li>• Assist and challenge management of risk</li></ul>	<b>INTERNAL AND EXTERNAL AUDIT</b> <ul style="list-style-type: none"><li>• Internal audit – greater independence from operations</li><li>• External audit – full independence from operations</li><li>• Report to governing body</li><li>• Review of risk management framework</li></ul>

## Roles and responsibilities

The Board is responsible for defining Housing Australia’s risk appetite, approving the corporate plan, and establishing an appropriate risk management framework. It relies on Housing Australia’s Executive team to manage the implementation and embedding of risk appetite in Housing Australia’s activities and to monitor performance and report as appropriate to the ARC and/or Board.

The Board engages an independent auditor to review the approach to risk management (including the assessment of risks and effectiveness of controls). The auditor is currently McGrathNicol. The auditor provides reports to the Board via the ARC and the Executive Risk and Compliance Committee. They have access to employee and organisational data to complete reviews.

The ANAO and its appointed agent, currently KPMG, perform an independent review of Housing Australia’s financial statements.

## Risk Appetite Statement

The risk appetite is the risk which Housing Australia is willing to accept over time. Risk appetite is defined in detail in the types and degree of risk that we are willing to accept in our strategic and business activities.

Housing Australia has an enterprise Risk Taxonomy which characterises the different types of risk within the organisation. The taxonomy defines risk categories and key terms to describe risks which attach to key business processes and articulates risk rating scales and the controls that are linked to the risks.

The RAS sets the boundaries for the risks based on the Risk Taxonomy that Housing Australia may accept to achieve its objectives within risk policies, risk tolerances and operational limits set (or to be set) by the Housing Australia Act, Investment Mandate, PGPA Act and the Board.

**Table 15: Housing Australia key business risks**

Risk	Definition
Compliance risk (including contractual risk, internal policy risk, legislative/regulatory risk, probity/conflict of interest risk)	The risk of legal or regulatory sanction, or financial loss arising from failure to meet obligations
Credit risk	The risk of financial loss where a customer fails to meet their financial obligations
Financial risk	The risk of financial loss or potential for financial loss due to volatility in market conditions and economic factors impacting funding and liquidity
Market risk	The risk of an adverse impact on earnings resulting from changes or potential changes in interest rates or quality of counterparties used to manage risk
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events such as fraud or cybersecurity threats
Strategic risk	The risk of threats or uncertainty in the environment (internal or external) that can affect Housing Australia's ability to meet its purpose and objectives

The management of risk within the RAS is underpinned by:

- **Risk tolerances:** Risk tolerance statements operationalise the RAS by breaking down the high-level qualitative principles for each risk category into specific measures. Tolerances define specific limits for risk taking against each risk category and allow the Board to see in aggregate the quantum of risk and whether decisions are made in line with its risk appetite. Risk tolerance ensures appropriate reporting and monitoring systems are in place to manage the risks.
- **Risk policies:** Housing Australia has established policies that are used to develop strategies to mitigate, transfer or accept risks. These policies provide the framework for decision-making, establish accountability, and ensure consistency in risk management practices. Where appropriate, these policies are supported by operational procedures. Policies are managed within a formal governance framework.

# Legislative and government information

## Housing Australia Act

Housing Australia (previously the National Housing Finance and Investment Corporation) was established under the Housing Australia Act, which sets out our functions, powers and duties.

## Responsible Minister

Housing Australia is part of the Treasury portfolio of agencies, with our responsible Minister for the reporting period being the Minister for Housing, Minister for Homelessness and Minister for Small Business, the Hon Julie Collins MP (Minister).<sup>21</sup>

## Ministerial directions

Section 12 of the Housing Australia Act permits the Minister to issue directions with respect to how we perform our functions.

At the date of signing this Annual Report, the Housing Australia Investment Mandate Direction 2018 (Compilation No. 12) is the operative direction (Investment Mandate). Compilation No. 12 incorporates all amendments made to the Investment Mandate as at 30 June 2024, including the amendments made in the reporting period:

- Housing Australia Investment Mandate Amendment (Social Housing, Affordable Housing and Acute Housing Needs) Direction 2023 (9 December 2023)
- National Housing Finance and Investment Corporation Investment Mandate Amendment (Housing Australia Future Fund – Preparatory Work) Direction 2023 (11 November 2023)
- National Housing Finance and Investment Corporation Investment Mandate (National Housing Accord – Preparatory Work) Direction 2023 (5 September 2023)
- National Housing Finance and Investment Corporation Investment Mandate Amendment (Liability Cap Update) Direction 2023 (1 July 2023)
- National Housing Finance and Investment Corporation Investment Mandate Amendment (Enhancing the Home Guarantee Scheme) Direction 2023 (1 July 2023)

In March 2024, the Minister issued a revised SOE for Housing Australia. This outlines the Government's key priorities and objectives for the organisation and sets out the Minister's expectations, including:

- working with the Department of the Treasury (the Treasury) and other Commonwealth agencies, particularly on the operational implications of Government policy during development, implementation and over time, as well as providing timely information to the Minister and the Treasury of Housing Australia's significant activities and advising of events or issues that may materially impact its operations
- working with the private sector (including institutional investors), CHPs and all levels of government, including contributing to the development of the community housing sector through our financing and capacity building functions
- implementing Government policy priorities, including ensuring that we are sufficiently skilled to administer our programs, agile and capable of structuring finance in a way that attracts private sector capital, making reasonable efforts to ensure equitable support across Australia (including in regional, rural and remote areas) and administering home ownership programs in a manner that ensures ongoing integrity, equity and transparency
- embedding and sustaining a culture of accountability and integrity, and operating with transparency, appropriate governance and accountability, and in accordance with the PGPA Act and Housing Australia Act
- collaborating and cooperating with other Commonwealth entities to enhance synergies and pursue common objectives aligned to our legislative framework.

In response, Housing Australia's Board responded with a SOI in June 2024, setting out how it will achieve these priorities. A copy of the SOE and SOI are available on our website: [www.housingaustralia.gov.au/governance](http://www.housingaustralia.gov.au/governance).

## Statement of compliance

Housing Australia had no instances of non-compliance with Ministerial directions (including the Investment Mandate) in 2023–24.

21. The Hon Clare O'Neil MP was sworn in to the role of Minister for Housing and Minister for Homelessness on 29 July 2024.



# Other legislation, policies and governance events

## PGPA Act

We are a corporate Commonwealth entity and are subject to the PGPA Act and the rules and other instruments made under it. The PGPA Act sets out requirements regarding aspects of our corporate governance, reporting and accountability. Our Board is our accountable authority under the PGPA Act.

## Confidentiality obligations

We are subject to the *Freedom of Information Act 1982* but are exempt from its operation in relation to certain documents under section 7(2). This recognises the requirement to keep confidential customer and transaction information.

## Anti-Money Laundering/Counter Terrorism Financing (AML/CTF)

We are required to have an AML/CTF program in place which, among other things, identifies, manages and reduces the risk of money laundering and terrorism financing it potentially faces.

We have enrolled with the Australian Transaction Reports and Analysis Centre (AUSTRAC) and developed a comprehensive AML/CTF program. The program includes a framework for reporting suspicious matters to AUSTRAC together with comprehensive Know Your Customer (KYC), ongoing customer due diligence and transaction monitoring procedures.

## Significant non-compliance with the Finance Law

There were no instances of significant non-compliance with the Finance Law in 2023–24.

## Financial statements audit

The Auditor-General provided his annual independent auditor's report on our financial statements. The report was unmodified. This forms part of the 'Financial Statements' section on pages 79–122.

# Financial Information



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# Six-year summary

The six-year summary profit and loss table presented below is in addition to (and does not form part of) the audited Financial Statements.

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
<b>Profit or Loss</b>						
Effective interest income – AHBA	85,850	58,992	49,697	30,133	14,280	2,285
Interest expense – AHBA	(67,410)	(45,309)	(36,529)	(21,617)	(11,679)	(1,964)
Effective interest income – NHIF	7,570	2,054	1,446	131	–	–
<b>Net interest income from loans</b>	<b>26,010</b>	<b>15,737</b>	<b>14,614</b>	<b>8,647</b>	<b>2,601</b>	<b>321</b>
Interest on investments	44,528	27,724	3,402	3,227	6,869	2,924
Revenue from Government	733,328	49,090	39,939	59,004	61,762	53,714
Other income	–	–	–	–	30	–
<b>Operating income</b>	<b>803,867</b>	<b>92,551</b>	<b>57,955</b>	<b>70,878</b>	<b>71,262</b>	<b>56,959</b>
Employee benefits	(26,703)	(17,498)	(10,954)	(6,633)	(5,371)	(2,910)
Suppliers	(28,342)	(13,431)	(8,173)	(7,360)	(8,474)	(4,317)
Allowance for credit loss expense	(325)	(166)	(234)	(2,046)	(896)	(164)
Depreciation and amortisation	(355)	(352)	(352)	(352)	(175)	–
<b>Operating expenses</b>	<b>(55,725)</b>	<b>(31,447)</b>	<b>(19,713)</b>	<b>(16,391)</b>	<b>(14,916)</b>	<b>(7,391)</b>
Unwinding of concessional loan discount expenses	23,347	21,441	21,060	12,068	4,583	611
Concessional loan discount expense	(46,671)	(29,924)	(7,903)	(112,435)	(74,464)	(61,151)
Grants	(7,588)	(7,727)	(3,315)	(13,296)	(268)	–
Claims	(36)	–	–	–	–	–
<b>Profit/(loss)</b>	<b>717,193</b>	<b>44,894</b>	<b>48,084</b>	<b>(59,176)</b>	<b>(13,803)</b>	<b>(10,972)</b>
Adjustments:						
Add: Concessional loan discount expenses	46,671	29,924	7,903	112,435	74,464	61,151
Less: Unwinding of concessional loan discount provisions	(23,347)	(21,441)	(21,060)	(12,068)	(4,583)	(611)
Less: Revenue from Australian Government for AHBA operational expenses	–	–	–	(18,672)	(18,820)	(18,714)
Less: Revenue from Australian Government for NHIF Grants	(700,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Add: Expenses related to NHIF Grants	7,391	7,508	3,215	13,072	–	–
Add: Expenses related to capacity building programs	197	219	100	224	268	–
<b>Normalised profit/(loss) from operations</b>	<b>48,105</b>	<b>26,104</b>	<b>3,242</b>	<b>815</b>	<b>2,526</b>	<b>(4,146)</b>



The six-year summary profit and loss table presented below is in addition to (and does not form part of) the audited Financial Statements.

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
<b>Balance Sheet</b>						
<b>ASSETS</b>						
Cash and cash equivalents	1,320,666	291,442	67,322	55,069	119,186	39,347
Trade and other receivables	5,277	6,010	3,085	2,356	2,383	1,279
Loans to Community Housing Providers	2,875,191	2,241,019	2,172,366	2,086,469	1,190,323	308,323
National Housing Infrastructure Facility loans	209,569	87,084	64,681	52,411	0	0
Concessional loan discount provisions	(243,867)	(204,764)	(217,457)	(229,866)	(114,338)	(34,997)
Allowance for credit loss expense	(3,832)	(3,506)	(3,340)	(3,106)	(1,060)	(164)
Other investments	617,334	693,840	744,768	544,815	438,202	201,458
Property, plant, and equipment	11,047	17	–	–	–	18
Intangible assets	1,945	178	530	882	1,234	–
Prepayments	486	546	227	146	339	78
<b>Total assets</b>	<b>4,793,816</b>	<b>3,111,866</b>	<b>2,832,182</b>	<b>2,509,175</b>	<b>1,636,268</b>	<b>515,342</b>
<b>LIABILITIES</b>						
Suppliers	8,088	1,602	2,645	1,550	3,472	2,027
Other payables	28,483	9,866	6,639	6,319	2,970	2,972
Leases	10,683	–	–	–	–	–
Other interest-bearing liabilities	2,873,438	2,234,715	2,189,859	2,080,818	1,305,349	329,878
Employee leave and other entitlements	3,769	2,681	1,645	1,101	1,045	413
Other provisions	18,135	28,975	7,261	8,338	18,207	26,024
<b>Total liabilities</b>	<b>2,942,596</b>	<b>2,277,839</b>	<b>2,208,049</b>	<b>2,098,126</b>	<b>1,331,043</b>	<b>361,314</b>
<b>EQUITY</b>						
Contributed equity	1,125,000	825,000	660,000	495,000	330,000	165,000
Retained earnings	726,220	9,027	(35,867)	(83,951)	(24,775)	(10,971)
<b>Total equity</b>	<b>1,851,220</b>	<b>834,027</b>	<b>624,133</b>	<b>411,049</b>	<b>305,225</b>	<b>154,028</b>

# Reconciliation of reported profit to normalised earnings

The reconciliation of reported profit to normalised earnings from operations presented below is in addition to (and does not form part of) the audited Financial Statements.

	Note	2024 \$'000	2023 \$'000
<b>INCOME</b>			
Interest income calculated using the effective interest method	1.1A	161,295	110,211
Revenue from Government	1.1B	733,328	49,090
<b>Total income</b>		<b>894,623</b>	<b>159,301</b>
<b>EXPENSES</b>			
Employee benefits	1.2A	26,703	17,498
Suppliers	1.2B	28,342	13,431
Finance costs	1.2C	67,410	45,309
Concessional loan discount expense	1.2D	46,671	29,924
Allowance for credit loss expense	1.2E	325	166
Grants	1.2F	7,588	7,727
Claims	1.2G	36	–
Depreciation and amortisation	2.2A	355	352
<b>Total expenses</b>		<b>177,430</b>	<b>114,407</b>
<b>Profit</b>		<b>717,193</b>	<b>44,894</b>
<b>Other comprehensive income</b>		<b>–</b>	<b>–</b>
<b>Total comprehensive income</b>		<b>717,193</b>	<b>44,894</b>
Adjustments:			
Add: Concessional loan discount expense	1.2D,6.1	46,671	29,924
Less: Unwinding of concessional loan discount provisions	1.1A	(23,347)	(21,441)
Less: Revenue from Australian Government for NHIF Grants	1.1B,6.1	(700,000)	(35,000)
Add: Expenses related to NHIF Grants	1.2F,6.1	7,391	7,508
Add: Expenses related to capacity building programs	1.2F,6.1	197	219
<b>Normalised profit</b>		<b>48,105</b>	<b>26,104</b>

# Independent Auditor's report



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Housing

#### Opinion

In my opinion, the financial statements of Housing Australia (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by the Board Members, Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under the Act. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

### **Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial

Executive Director

Delegate of the Auditor-General

Canberra

28 August 2024



# Statement by Board Members, Chief Executive Officer, and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Housing Australia will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board.



**Carol Austin**

CHAIR  
28th August 2024



**Stuart Neilson**

ACTING CHIEF EXECUTIVE OFFICER  
28th August 2024



**David Le**

ACTING CHIEF FINANCIAL OFFICER  
28th August 2024

# Statement of comprehensive income

for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>INCOME</b>			
Interest income calculated using the effective interest method	1.1A	161,295	110,211
Revenue from Government	1.1B	733,328	49,090
<b>Total income</b>		<b>894,623</b>	<b>159,301</b>
<b>EXPENSES</b>			
Employee benefits	1.2A	26,703	17,498
Suppliers	1.2B	28,342	13,431
Finance costs	1.2C	67,410	45,309
Concessional loan discount expense	1.2D	46,671	29,924
Allowance for credit loss expense	1.2E	325	166
Grants	1.2F	7,588	7,727
Claims	1.2G	36	–
Depreciation and amortisation	2.2A	355	352
<b>Total expenses</b>		<b>177,430</b>	<b>114,407</b>
<b>Profit</b>		<b>717,193</b>	<b>44,894</b>
<b>Other comprehensive income</b>		<b>–</b>	<b>–</b>
<b>Total comprehensive income</b>		<b>717,193</b>	<b>44,894</b>

The accompanying notes form an integral part of the financial statements.

# Statement of financial position

at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	2.1A	1,320,666	291,442
Trade and other receivables	2.1B	5,277	6,010
Loans and advances	2.1C	2,837,061	2,119,833
Other investments	2.1D	617,334	693,840
<b>Total financial assets</b>		<b>4,780,338</b>	<b>3,111,125</b>
<b>Non-financial assets</b>			
Property, plant, and equipment and intangible assets	2.2A	12,992	195
Prepayments		486	546
<b>Total non-financial assets</b>		<b>13,478</b>	<b>741</b>
<b>Total assets</b>		<b>4,793,816</b>	<b>3,111,866</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	2.3A	8,088	1,602
Other payables	2.3B	28,483	9,866
<b>Total payables</b>		<b>36,571</b>	<b>11,468</b>
<b>Interest bearing liabilities</b>			
Leases	3.2A	10,683	–
Other interest-bearing liabilities	3.2B	2,873,438	2,234,715
<b>Total interest-bearing liabilities</b>		<b>2,884,121</b>	<b>2,234,715</b>
<b>Provisions</b>			
Employee leave and other entitlements	4.1A	3,769	2,681
Other provisions	2.4A	18,135	28,975
<b>Total provisions</b>		<b>21,904</b>	<b>31,656</b>
<b>Total liabilities</b>		<b>2,942,596</b>	<b>2,277,839</b>
<b>Net assets</b>		<b>1,851,220</b>	<b>834,027</b>
<b>EQUITY</b>			
Contributed equity		1,125,000	825,000
Retained earnings		726,220	9,027
<b>Total equity</b>		<b>1,851,220</b>	<b>834,027</b>

The accompanying notes form an integral part of the financial statements.

# Statement of changes in equity

for the year ended 30 June 2024

	Retained earnings \$'000	Contributed equity \$'000	Total equity \$'000
<b>Opening balance at 1 July 2023</b>	<b>9,027</b>	<b>825,000</b>	<b>834,027</b>
<b>Comprehensive income</b>			
Profit for the period	717,193	–	717,193
<b>Total comprehensive income</b>	<b>717,193</b>	<b>–</b>	<b>717,193</b>
<b>Transactions with owners</b>			
Equity contribution	–	300,000	300,000
<b>Total transactions with owners</b>	<b>–</b>	<b>300,000</b>	<b>300,000</b>
<b>Closing balance at 30 June 2024</b>	<b>726,220</b>	<b>1,125,000</b>	<b>1,851,220</b>

The accompanying notes form an integral part of the financial statements.

In 2023–24, the Australian Government provided an additional \$1 billion to the National Housing Infrastructure Facility (NHIF). The funding mix comprised of \$700 million for grants recognised as revenue and \$300 million for concessional loans recognised as an equity contribution.

for the year ended 30 June 2023

	Accumulated losses \$'000	Contributed equity \$'000	Total equity \$'000
<b>Opening balance at 1 July 2022</b>	<b>(35,867)</b>	<b>660,000</b>	<b>624,133</b>
<b>Comprehensive income</b>			
Profit for the period	44,894	–	44,894
<b>Total comprehensive income</b>	<b>44,894</b>	<b>–</b>	<b>44,894</b>
<b>Transactions with owners</b>			
Equity contribution	–	165,000	165,000
<b>Total transactions with owners</b>	<b>–</b>	<b>165,000</b>	<b>165,000</b>
<b>Closing balance at 30 June 2023</b>	<b>9,027</b>	<b>825,000</b>	<b>834,027</b>



# Cash flow statement

for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Contributions from Government		733,328	49,090
Repayment of loans and advances		49,144	–
Interest and loan fees		96,857	57,140
<b>Total cash received</b>		<b>879,329</b>	<b>106,230</b>
<b>Cash used</b>			
Increase in loans and advances		804,710	86,952
Interest paid on borrowings		49,857	40,200
Employees		19,018	16,211
Suppliers (inclusive of GST)		25,717	13,946
Grants paid		7,588	7,727
Claims paid		36	–
<b>Total cash used</b>		<b>906,926</b>	<b>165,036</b>
<b>Net cash used by operating activities</b>	3.4	<b>(27,597)</b>	<b>(58,806)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Net proceeds of investments		80,697	56,988
Interest on investments		41,810	19,326
<b>Total cash received</b>		<b>122,507</b>	<b>76,314</b>
<b>Cash used</b>			
Purchase of property, plant, equipment and intangibles		2,122	17
<b>Total cash used</b>		<b>2,122</b>	<b>17</b>
<b>Net cash from investing activities</b>		<b>120,385</b>	<b>76,297</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from borrowings		705,328	41,629
Equity injection		300,000	165,000
<b>Total cash received</b>		<b>1,005,328</b>	<b>206,629</b>
<b>Cash used</b>			
Repayments of borrowings		68,892	–
<b>Total cash used</b>		<b>68,892</b>	<b>–</b>
<b>Net cash from financing activities</b>		<b>936,436</b>	<b>206,629</b>
<b>Net increase in cash equivalents held</b>		<b>1,029,224</b>	<b>224,120</b>
Cash equivalents at beginning of financial period		291,442	67,322
<b>Cash equivalents at end of financial period</b>	2.1A	<b>1,320,666</b>	<b>291,442</b>

The accompanying notes form an integral part of the financial statements.

# Notes to and forming part of the financial statements

for the year ended 30 June 2024

## Overview

The National Housing Finance and Investment Corporation (NHFIC) was renamed Housing Australia on 12 October 2023 following the passage of amendments to its enabling legislation (renamed the *Housing Australia Act 2018* (Cth)). Housing Australia is a corporate Commonwealth entity and is classified as an Australian Government owned for-profit entity.

Housing Australia's purpose is to improve housing outcomes by helping more Australians to access affordable, safe and secure housing. As set out in section 3 of the Housing Australia Act, Housing Australia's purpose is to improve housing outcomes for Australians by:

- strengthening efforts to increase the supply of housing.
- encouraging investment in housing (particularly in the social or affordable housing sector).
- providing finance or grants that complement, leverage or support Commonwealth, state or territory activities relating to housing.
- contributing to the development of the scale, efficiency and effectiveness of the community housing sector in Australia.
- assisting earlier access to the housing market by eligible home buyers.

To achieve these outcomes, Housing Australia established and performs the following activities, namely:

- Affordable Housing Bond Aggregator (AHBA):  
Housing Australia provides loans to registered CHPs using money borrowed from the Commonwealth and by raising finance by the issue of bonds on the commercial market. This allows money to be raised on a larger scale and on more favourable terms to those that would be possible for individual CHPs.
- National Housing Infrastructure Facility (NHIF):  
Housing Australia provides loans and grants for Critical Infrastructure and Social and Affordable Housing that would not have otherwise proceeded, or that would only have proceeded at a much later date or with a lesser impact on new social or affordable housing.
- Housing Australia Future Fund Facility (HAFFF):  
Housing Australia provides loans and grants for projects that increase the supply of social and affordable housing and that address acute housing needs across Australia, including in regional, rural and remote areas.
- National Housing Accord Facility (NHAF):  
Housing Australia provides loans and grants for projects that increase the supply of affordable housing across Australia, including in regional, rural and remote areas.
- Capacity building:  
Housing Australia provides capacity building support to registered CHPs to further develop their financial and management capabilities.
- Home Guarantee Scheme (HGS):  
The HGS allows Housing Australia to issue up to a specified number of guarantees in each financial year in respect of eligible loans to home buyers who satisfy the applicable eligibility criteria.

During the year the *Treasury Laws Amendment (Housing Measures No. 1) Act 2023* removed research into housing affordability as one of Housing Australia's legislated functions under the Housing Australia Act.

## Basis of preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are prepared in Australian dollars (\$) and rounded to the nearest thousand dollars (\$'000).

### (a) New Australian Accounting Standards (AAS)

Consistent with government policy, no accounting standard has been adopted earlier than the application date as stated in the standard.

There were no new Australian accounting standards that were mandatorily effective for these financial statements. Amendments made to existing standards that were mandatorily effective for the reporting period did not result in a material impact.

### (b) Taxation

Under section 52 of the Housing Australia Act, Housing Australia is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST):

- where the amount of GST incurred is not recoverable as an input tax credit from the Australian Taxation Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- the net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of the receivables, payables, or commitments.

### (c) Events after the reporting period

Effective 9 July 2024, amendments to Housing Australia's investment mandate increased the liability cap from \$7.5 billion to \$10 billion and the Line of Credit facility limit from \$1 billion to \$4 billion.

Other than the above, there have been no material events occurring after the reporting period that impact these financial statements for the year ended 30 June 2024.

## Note 1: Our financial performance

### Note 1.1: Revenue

	2024 \$'000	2023 \$'000
<b>NOTE 1.1A: INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST METHOD</b>		
Interest from loans and advances at amortised cost	93,420	61,046
Interest from cash and cash equivalents	13,064	7,193
Interest from other investments at amortised cost	31,464	20,531
Unwinding of concessional loan discount provisions	23,347	21,441
<b>Total interest income calculated using effective interest method</b>	<b>161,295</b>	<b>110,211</b>

#### Accounting Policy

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to Housing Australia, and the revenue can be reliably measured.

For loans and advances and other investments at amortised cost, the income or expense is recognised through the profit or loss using the effective interest method. Establishment fees relating to the successful origination or settlement of a loan are deferred and recognised as an adjustment to the effective interest rate on the loan.

	2024 \$'000	2023 \$'000
<b>NOTE 1.1B: REVENUE FROM GOVERNMENT</b>		
Revenue from Australian Government for operational funding	33,292	14,090
Revenue from Australian Government for NHIF grants	700,000	35,000
Revenue from Australian Government for HGS claims	36	–
<b>Total revenue from Government</b>	<b>733,328</b>	<b>49,090</b>

Revenue from the Australian Government for operational funding includes appropriations for the administration of the HAFFF, NHAFF, HGS and other functions.

Revenue from the Australian Government for NHIF grants in 2023–24 relates to appropriations made to Housing Australia for the purposes of providing grants to support additional social housing dwellings targeted towards crisis and transitional accommodation for women and children fleeing domestic violence, and youth.

Revenue from the Australian Government for HGS claims relates to a special appropriation received with the equal amount paid out as a guarantee claim expense under the HGS.

#### Accounting Policy

##### *Revenue from Government*

Amounts provided by the Australian Government for Housing Australia operational funding, NHIF grants and HGS claims are recognised as revenue from Government in the Statement of Comprehensive Income when Housing Australia gains control of the appropriation from the Department of the Treasury.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 1.2: Expenses

	2024 \$'000	2023 \$'000
<b>NOTE 1.2A: EMPLOYEE BENEFITS</b>		
Wages and salaries	22,724	14,897
Superannuation		
Defined contribution plans	2,268	1,395
Defined benefit plans	372	244
Leave and other entitlements	1,334	961
Other employee benefits	5	1
<b>Total employee benefits</b>	<b>26,703</b>	<b>17,498</b>

The increase in employee benefits reflect additional staff required as a result of growth in the existing activities and to establish and deliver the HAFF and NHAFF programs.

### Accounting Policy

#### Employee Benefits

Accounting policies for employee related expenses is contained in the People and Relationships section (refer to Note 4).

	2024 \$'000	2023 \$'000
<b>NOTE 1.2B: SUPPLIER EXPENSES</b>		
<b>Goods and services supplied or rendered</b>		
Contractors	7,752	3,298
Consultants	6,898	4,032
Information technology services	5,342	2,158
Legal fees	3,413	509
Services provided by Export Finance Australia	1,493	1,156
Recruitment services	799	222
Insurances	588	505
Staff training and development	332	173
Professional fees	327	287
Travel and incidentals	318	250
Marketing and media	146	178
Credit information	112	233
External auditor fees	85	85
Other	737	345
<b>Total supplier expenses</b>	<b>28,342</b>	<b>13,431</b>

The increase in supplier expenses increased during the year in relation to Housing Australia's growth in the existing activities and to establish and deliver the HAFF and NHAFF programs.



	2024 \$'000	2023 \$'000
<b>NOTE 1.2C: FINANCE COSTS</b>		
Interest on loans	4,215	1,094
Interest on bonds	63,195	44,215
<b>Total finance costs</b>	<b>67,410</b>	<b>45,309</b>

	2024 \$'000	2023 \$'000
<b>NOTE 1.2D: CONCESSIONAL LOAN DISCOUNT EXPENSE</b>		
Concessional loan discount expense	46,671	29,924
<b>Total concessional loan discount expense</b>	<b>46,671</b>	<b>29,924</b>

#### Accounting Policy

##### *Concessional Loan Discount Expense*

A concessional loan discount expense is recorded when Housing Australia makes a loan at a discount to the prevailing market equivalent rates or terms. The concessional loan discount expense is an upfront non-cash concession charge and will unwind over the term of the underlying loan to become concessional loan interest income. Over the life of the loans, the cumulative impact of the reported profit or loss of Housing Australia from the concessional loan discount and income will net to \$nil. During the year, \$23.3 million (2023: \$21.4 million) of concessional loan discount expense was unwound.

The Investment Mandate which guides Housing Australia's operations requires it to make loans to the CHP sector at the lowest possible interest rates, after making allowance for a margin that will cover Housing Australia's operating costs and reserve requirements. The total financial impact of the differences between market interest rates and those charged by Housing Australia, was \$46.7 million (2023: \$29.9 million) correlating to \$707.5 million (2023: \$291.6 million) of new loans advanced and loan commitments. These differences are recorded as a concessional loan discount expense and represents management's best estimate of the interest savings that will flow through to the CHP sector over the life of the loans.

##### *Accounting Judgements and Estimates*

Housing Australia is required to record a concessional loan discount expense when it makes a loan at a discount to the prevailing market equivalent rate or terms. This requires extensive judgement in determining the 'market equivalent rate' to ascertain the extent of the implicit discount attached to the loan. To estimate the market rate, Housing Australia considers key loan terms including, the term (loan tenor and drawdown and repayment profile), base rate and type (fixed or floating), level of subordination, security position and other relevant factors so the extent of concessionality being offered in the transactions can be estimated.

Housing Australia's aim is to provide AHBA loans to registered CHPs at the lowest cost and most appropriate tenor. To achieve this aim, the discounts provided to the market rates can result in significant concessional loan discount expense. The weighted average tenor of the loan portfolio is 11.1 years (2023: 11.0 years). Discounting the difference between the future cashflows at the loan rate and the market equivalent rate results in significant concessional loan charges.

	2024 \$'000	2023 \$'000
<b>NOTE 1.2E: ALLOWANCE FOR CREDIT LOSS EXPENSE</b>		
Allowance for credit loss expense	325	166
<b>Total allowance for credit loss expense</b>	<b>325</b>	<b>166</b>

## Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

### Note 1.2: Expenses (continued)

	2024 \$'000	2023 \$'000
<b>NOTE 1.2F: GRANTS</b>		
NHIF grants	7,391	7,508
Capacity building grants	197	219
<b>Total grants</b>	<b>7,588</b>	<b>7,727</b>

NHIF grants are generally part of blended financing arrangements through the NHIF. Blended financing arrangements may comprise of a concessional loan and grant component, the loans are recorded as loans and advances and where there is no obligation to repay the grant, and the recipient meets certain criteria, the grants are recognised in profit or loss as an expense. NHIF grants are funded through revenue from the Australian Government for NHIF grants (see Note 1.1B). Funding available for NHIF grants increased by \$700 million in addition to \$175 million that was previously provided which also covered capacity building contracts, up to a maximum of \$1.5 million.

The cumulative total of NHIF grants disbursed at 30 June 2024 was \$31.2 million (2023: \$23.8 million).

Capacity building grants allows registered CHPs to access business advisory services and other assistance in capability building.

	2024 \$'000	2023 \$'000
<b>NOTE 1.2G: CLAIMS</b>		
HGS claims	36	–
<b>Total claims</b>	<b>36</b>	<b>–</b>

The amount paid out as a guarantee claim expense under the HGS equals the revenue from the Australian Government for HGS claims. (refer to Note 1.1B).

## Note 2: Financial position

### Note 2.1: Financial assets

	2024 \$'000	2023 \$'000
<b>NOTE 2.1A: CASH AND CASH EQUIVALENTS</b>		
Cash at bank	1,320,666	291,442
<b>Total cash and cash equivalents</b>	<b>1,320,666</b>	<b>291,442</b>

#### Accounting Policy

##### *Cash and cash equivalents*

Cash is recognised at its nominal amount as this is considered fair value. Cash and cash equivalents includes cash at bank and deposits at call which are readily convertible to cash on hand.

	2024 \$'000	2023 \$'000
<b>NOTE 2.1B: TRADE AND OTHER RECEIVABLES</b>		
<b>Goods and services receivables in connection with:</b>		
<b>Other receivables</b>		
Statutory receivables	892	425
Interest	4,291	5,570
Other	94	15
<b>Total trade and other receivables (gross)</b>	<b>5,277</b>	<b>6,010</b>
<b>Total trade and other receivables (net)</b>	<b>5,277</b>	<b>6,010</b>
<b>Trade and other receivables (net) expected to be recovered in:</b>		
Overdue	–	308
No more than 12 months	5,277	5,702
<b>Total trade and other receivables (net)</b>	<b>5,277</b>	<b>6,010</b>

Credit terms for goods and services were within 30 days.

Interest receivable is due monthly, quarterly or upon maturity depending on the terms of the investment.

#### Accounting Policy

##### *Trade receivable and other receivables*

Trade receivables and other receivables are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest. They are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 2.1: Financial assets (continued)

	2024 \$'000	2023 \$'000
<b>NOTE 2.1C: LOANS AND ADVANCES</b>		
Loans to Community Housing Providers	2,875,191	2,241,019
National Housing Infrastructure Facility loans	209,569	87,084
<b>Gross loans and advances</b>	<b>3,084,760</b>	<b>2,328,103</b>
Concessional loan discount provisions	(231,523)	(197,139)
Unearned income and deferred net fee income	(12,344)	(7,625)
Allowance for credit loss expense	(3,832)	(3,506)
<b>Total loans and advances (net)</b>	<b>2,837,061</b>	<b>2,119,833</b>
<b>Maturity analysis loans and advances:</b>		
No more than 12 months	252,732	72,118
Due in 1 year to 5 years	395,624	54,106
Due after 5 years	2,436,404	2,201,879
<b>Total loans and advances</b>	<b>3,084,760</b>	<b>2,328,103</b>

### Accounting Policy

#### Loans and advances

Loans are carried at amortised cost. The recoverable amount is represented by the gross value of the outstanding balances, adjusted by the allowance for credit loss, deferred net fee income, and any concessional loan discount provisions. Deferred net fee income received in cash at the start of the loan are brought to income on an effective yield basis over the life of the loan by reducing the carrying amount. Interest income is recognised using the effective interest method. A loan or receivable is recognised as impaired when it is likely that the debt will not be recovered in full. In this instance a specific provision will be created for the impairment.

#### Impairment

For loans measured at amortised cost under AASB 9 an expected credit losses (ECL) model was used to evaluate balances at 30 June 2024. The ECL allowance is based on twelve month expected credit losses unless there has been a significant increase in credit risk since origination, in which case the allowance is based on the credit losses expected to arise over the life of the asset. An assessment is performed at the end of each reporting period to determine whether credit risk has increased significantly since initial recognition.

Based on the above, Housing Australia groups its loans into Stage 1, Stage 2, and Stage 3, as described below:

Stage 1: When loans are first recognised, Housing Australia recognises an allowance based on twelve month expected credit losses data. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, Housing Australia records an allowance for the lifetime expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit impaired. Housing Australia records an allowance for the lifetime expected credit losses.

#### ECL calculation

The allowance in respect of an individual facility or group of facilities is calculated with the three elements defined as follows:

PD – the Probability of Default is an estimate of the likelihood of default over a given time horizon.

LGD – Loss Given Default is the percentage of exposure which, on average, will be lost (net of recoveries) if a default occurs.

EAD – Exposure At Default is the estimated outstanding exposure on that facility at a future default date.

The three elements and mechanics are further explained in Note 5.2E Credit Risk.



	2024 \$'000	2023 \$'000
<b>NOTE 2.1D: OTHER INVESTMENTS</b>		
Deposits	129,000	435,781
Discount securities	431,269	184,475
Floating rate notes	57,065	73,584
<b>Total other investments</b>	<b>617,334</b>	<b>693,840</b>
<b>Other investments expected to be recovered in:</b>		
No more than 12 months	612,300	643,273
More than 12 months	5,034	50,567
<b>Total other investments</b>	<b>617,334</b>	<b>693,840</b>

Investment securities are primarily held with Australian ADIs rated AA- with a minor proportion rated A+. In accordance with the policy below it has been determined that no material ECL or impairment exists at 30 June 2024.

#### Accounting Policy

##### *Investment securities at amortised cost*

Investments are held to collect the contractual cash flows which are 'solely payments of principal and interest on the principal amount outstanding'. Housing Australia's business model is to hold these financial assets until maturity. They are short-term and medium-term bank debt securities and include bonds, term deposits, commercial paper and certificates of deposit. Interest income is recognised using the effective interest method and are carried at amortised cost.

##### *Impairment*

All investment securities have a deal term to maturity of less than three years and are held with primarily Australian ADIs rated AA- with a minor proportion rated A+. It has been determined that no impairment should be recognised on day one or in the subsequent twelve months.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 2.2: Property, plant and equipment, and tangibles

### Note 2.2A: NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT, AND INTANGIBLES

Reconciliation of the opening and closing balances of property, plant and equipment, and intangibles for 2024

	Art and Artefacts \$'000	Computer Software \$'000	Right-of-use asset \$'000	Leasehold improvement \$'000	Total \$'000
<b>Net book value at 1 July 2023</b>	17	178	–	–	195
Additions	–	2,122	10,120	910	13,152
Depreciation and amortisation	–	(355)	–	–	(355)
<b>Net book value at 30 June 2024</b>	17	1,945	10,120	910	12,992
<b>Net book value at 30 June 2024 represented by:</b>					
Gross book value	17	3,531	10,120	910	14,578
Accumulated depreciation and impairment	–	(1,586)	–	–	(1,586)
	17	1,945	10,120	910	12,992

Reconciliation of the opening and closing balances of property, plant and equipment, and intangibles for 2023

	Art and Artefacts \$'000	Computer Software \$'000	Total \$'000
<b>Net book value at 1 July 2022</b>	–	530	530
Addition	17	–	17
Depreciation/amortisation expense	–	(352)	(352)
<b>Net book value at 30 June 2023</b>	17	178	195
<b>Net book value at 30 June 2023 represented by</b>			
Gross book value	17	1,409	1,426
Accumulated depreciation and impairment	–	(1,231)	(1,231)
	17	178	195

No non-financial assets are expected to be sold or disposed of within the next 12 months. No revaluations were conducted in accordance with the revaluation policy.

There were no capital commitments relating to contractual payments for new assets and assets under construction.

## Accounting Policy

### *Property, Plant and Equipment*

Purchases of property, plant and equipment are recognised initially at cost in the Statement of financial position, except for:

- items of property with a project cost less than \$15,000 (which are expensed in the year of acquisition); and
- items of plant and equipment costing less than \$5,000 (which are expensed in the year of acquisition).

Property, plant and equipment are revalued periodically to fair value to ensure that the carrying amounts of assets do not differ materially from the assets, fair value at the reporting date.

The valuation of plant and equipment is based on an internal assessment by management to ensure that the carrying amounts do not differ materially from their fair value.

Revaluation increments are credited directly to the asset revaluation reserve and any subsequent decreases are written back against the asset revaluation reserve. On revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

### *Lease Right of Use (ROU) Assets*

Lease ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned. Following initial recognition, an impairment review will be undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss will be recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in the ROU asset taken up by Housing Australia where there exists an obligation. These costs are included in the value of Housing Australia's ROU asset with a corresponding provision for the 'make good' recognised.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2024	2023
Plant and equipment	3–20 years	3–20 years
Art and artefacts	100 years	100 years
Right-of-use assets	5–6 years	Not Applicable

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

The profit or loss on disposal of property, plant and equipment is taken into account in determining the result for the year.

### *Intangible assets – Computer Software*

The identifiable and directly associated external and internal costs of acquiring and developing software are capitalised and recognised as an intangible asset where the software is controlled by Housing Australia, and where it is probable that the future economic benefits will flow from its use over more than one year. Costs associated with maintaining the software are recognised as an expense as incurred.

Computer software is stated at cost less amortisation and impairment losses, if any.

Capitalised software costs are amortised on a systematic basis, using the straight-line method over its useful life of 4 to 5 years.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 2.3: Payables

	2024 \$'000	2023 \$'000
<b>NOTE 2.3A: SUPPLIERS</b>		
Suppliers	8,088	1,602
<b>Total supplier payables</b>	<b>8,088</b>	<b>1,602</b>
	2024 \$'000	2023 \$'000
<b>NOTE 2.3B: OTHER PAYABLES</b>		
Interest payable	22,993	7,727
Other accrued expenses	5,490	2,139
<b>Total other payables</b>	<b>28,483</b>	<b>9,866</b>
<b>Trade and other payables expected to be settled in:</b>		
No more than 12 months	36,571	11,468
<b>Total trade and other payables</b>	<b>36,571</b>	<b>11,468</b>

### Accounting Policy

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Credit terms for goods and services is usually within 30 days.

## Note 2.4: Provisions

	2024 \$'000	2023 \$'000
<b>NOTE 2.4A: OTHER PROVISIONS</b>		
Irrevocable undrawn commitments	17,914	28,975
Make good provision	221	–
<b>Total other provisions</b>	<b>18,135</b>	<b>28,975</b>

Irrevocable undrawn commitments are Housing Australia's commitments to provide loans at a below-market interest rates. The movement during the period relates to draw downs on existing undrawn commitments.

Financial guarantees relate to guarantees provided to participating lenders in relation to the Home Guarantee Schemes.

	2024	
	Make good provision \$'000	Irrevocable undrawn commitments \$'000
<b>The movement in provisions is as follows:</b>		
Total at 1 July 2023	–	28,975
Additional provisions made	221	–
Amounts reversed	–	(11,061)
<b>Total at 30 June 2024</b>	<b>221</b>	<b>17,914</b>

	2023
	Irrevocable undrawn commitments \$'000
<b>The movement in provisions is as follows:</b>	
Total at 1 July 2022	7,261
Additional provisions made	25,438
Amounts reversed	(3,724)
<b>Total at 30 June 2023</b>	<b>28,975</b>

### ***Accounting Judgement and Estimates***

The commitment to provide a loan at a below-market interest rate is recognised as a liability measured at the higher of the fair value of the financial liability and the provision for expected credit losses. The provision recorded is the amount which represents its estimated fair value when funds are issued, discounted back to the date of contractual commitment. Housing Australia estimates these by applying valuation techniques to derive forward rates from the relevant yields of Australian Government securities and market swap rates and applying them to its estimated drawdown profiles of the loan commitment.

For the 2023–24 period, Housing Australia made available 35,000 places for the First Home Buyer Guarantee (FHBG), previously known as the First Home Loan Deposit Scheme (FHLDS), 5,000 places for the Family Home Guarantee (FHG), and 10,000 places for the Regional First Home Buyer Guarantee (RFHBG). No additional New Home Guarantee (NHG) places were made available in 2023–24, although previously issued guarantees continued to be managed by Housing Australia.

At 30 June 2024, 67,730 guarantee certificates are active under the FHBG, 6,287 guarantee certificates are active under the NHG, 4,828 guarantee certificates are active under the FHG and 13,388 guarantee certificates are active under the RFHBG. All liabilities under the guarantee scheme are met by the Department of the Treasury.

Additional information regarding maximum exposure to credit risk excluding credit enhancements of the guarantees is detailed in Note 5.2E.

### **Accounting Policy**

#### ***Other Provisions***

Provisions are recognised when Housing Australia has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. Where the effect of the time value of money is material, the obligation is measured using a discount rate which reflects current market assessments and the risks specific to the liability. Increases in the provision due to the passage of time (unwinding of the discount) are then recognised as an expense.

#### ***Provision for irrevocable undrawn loan commitments***

Housing Australia calculates a concessional loan discount expense for the undrawn component of loans that are not yet fully drawn and where future drawdowns are unconditional.

#### ***Provision for financial guarantees***

Housing Australia estimates ECL based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. Cash flows expected from credit enhancements which are not required to be recognised separately and which are considered integral to the contractual terms of the financial guarantees subject to ECL, are included in the measurement of the ECL.



# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 3: Our funds management

### Note 3.1: Contributions from government

The Australian Government provides annual operating funding to Housing Australia through the Department of the Treasury for the administration of various housing programs.

The Australian Government has also provided \$2 billion for the operation of the NHIF with a NHIF Permanent Fund established by including:

- the value of the current NHIF loans and their relevant returns;
- funds available for the purposes of making NHIF loans and meeting the operating costs of the NHIF;
- any other amounts appropriated by the Parliament for the purposes of the NHIF.

#### Housing Australia annual appropriations:

	2024 \$'000	2023 \$'000
<b>Appropriations provided to Department of the Treasury for the purpose of funding Housing Australia operations and the NHIF</b>	<b>1,033,292</b>	214,090
Funds drawn down during the financial period:		
Operational funding	33,292	14,090
NHIF grants	700,000	35,000
Equity contributed towards the NHIF Permanent Fund	300,000	165,000

In addition, the Department of the Treasury also maintains the Housing Australia Special Account established in accordance with section 47A of the Housing Australia Act. The purpose of the Special Account allows the Treasury to provide Housing Australia with access to loan funding of up to \$1 billion for the operation of the AHBA. Any principal repayment to the Commonwealth through this Account, may be “recycled” and the amount reborrowed.

#### Housing Australia Special Account:

	2024 \$'000	2023 \$'000
<b>Balance brought forward from previous period</b>	<b>923,892</b>	965,521
Appropriations credited during the year to the Housing Australia Special Account maintained by the Department of the Treasury	–	–
<b>Available for payments</b>	<b>923,892</b>	965,521
Net funds drawn down during the year as a loan to Housing Australia to meet the purpose of its functions or as directed by the responsible Minister and the Finance Minister in accordance with the Investment Mandate	161,902	161,902
<b>Total balance carried to the next period</b>	<b>761,990</b>	923,892

#### Accounting Policy

##### Revenue from Government

Amounts provided by the Australian Government for Housing Australia operating funds and NHIF grants are recognised as revenue from Government in the Statement of Comprehensive Income when Housing Australia gains control of the contribution.

##### Equity Contributions

Amounts provided by the Australian Government for NHIF concessional loan arrangements are recognised as an equity contribution in the Statement of Financial Position.

##### Drawing from the Housing Australia Special Account

Amounts received from the Australian Government as drawings from the Housing Australia Special Account will be recognised as a loan from the Australian Government. Repayment of loans will be credited to the Housing Australia Special Account.

### Note 3.2: Interest-bearing liabilities

	2024 \$'000	2023 \$'000
<b>Note 3.2A: LEASES</b>		
Lease liabilities	10,683	–
<b>Total leases</b>	10,683	–

Total cash outflow for leases for the year ended 30 June 2024 was \$Nil (2023: \$Nil).

#### Maturity analysis – contractual undiscounted cash flows

	2024 \$'000
No more than 12 months	917
Due in 1 year to 5 years	9,556
Due after 5 years	1,518
<b>Total leases</b>	11,991

Housing Australia, in its capacity as lessee, relocated its office to 420 George Street in Sydney, New South Wales. The lease has a contractual term of five years concluding in February 2029 and includes a seven-month rent-free period starting from the move-in date until the first fixed monthly rental payment date. Housing Australia recognised a right-of-use asset and lease liabilities at 30 June 2024, in accordance with the requirements of AASB 16.

#### Accounting Policy

For all new contracts entered into, Housing Australia considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the entity's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or the profit or loss depending on the nature of the reassessment or modification.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 3.2: Interest-bearing liabilities (continued)

	2024 \$'000	2023 \$'000
<b>NOTE 3.2B: OTHER INTEREST-BEARING LIABILITIES</b>		
Loans from the Australian Government	238,010	76,108
Fixed rate bonds	2,535,428	2,058,607
Floating rate notes	100,000	100,000
<b>Total other interest-bearing liabilities</b>	<b>2,873,438</b>	<b>2,234,715</b>
<b>Other interest-bearing liabilities expected to be settled in:</b>		
No more than 12 months	198,473	66,079
More than 12 months	2,674,965	2,168,636
<b>Total other interest-bearing liabilities</b>	<b>2,873,438</b>	<b>2,234,715</b>

### Accounting Policy

The loans from the Australian Government represents amounts received as drawings from the Housing Australia Special Account and is measured at amortised cost. Details regarding the special account is contained in the funds management section (refer to Note 3.1).

Fixed rate bonds and floating rate notes are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

## Note 3.3: Reconciliation of liabilities arising from financing activities

	At 1 July 2023 \$'000	Cash Proceeds \$'000	Cash Repayments \$'000	Net Proceeds/ (Repayments) \$'000	Non-cash changes \$'000	At 30 June 2024 \$'000
<b>Other interest-bearing liabilities</b>						
Loans from the Australian Government	76,108	230,794	(68,892)	161,902	–	238,010
Fixed rate bonds	2,058,607	474,534	–	474,534	2,287	2,535,428
Floating rate notes	100,000	–	–	–	–	100,000
<b>Total liabilities from financing activities</b>	<b>2,234,715</b>	<b>705,328</b>	<b>(68,892)</b>	<b>636,436</b>	<b>2,287</b>	<b>2,873,438</b>

	At 1 July 2022 \$'000	Cash Proceeds \$'000	Cash Repayments \$'000	Net Proceeds/ (Repayments) \$'000	Non-cash changes \$'000	At 30 June 2023 \$'000
<b>Other interest-bearing liabilities</b>						
Loans from the Australian Government	34,479	41,629	–	41,629	–	76,108
Fixed rate bonds	2,055,380	–	–	–	3,227	2,058,607
Floating rate notes	100,000	–	–	–	–	100,000
<b>Total liabilities from financing activities</b>	<b>2,189,859</b>	<b>41,629</b>	<b>–</b>	<b>41,629</b>	<b>3,227</b>	<b>2,234,715</b>

### Note 3.4: Cash flow reconciliation

	2024 \$'000	2023 \$'000
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS AS PER STATEMENT OF FINANCIAL POSITION AND CASH FLOW STATEMENT</b>		
Cash and cash equivalents as per		
Cash Flow Statement	1,320,666	291,442
Statement of Financial Position	1,320,666	291,442
<b>Discrepancy</b>	–	–
<b>Reconciliation of operating profit to net cash used by operating activities</b>		
Profit	717,193	44,894
<b>Adjustments for non-cash items</b>		
Concessional loan discount expense	46,671	29,924
Depreciation and amortisation	354	352
Amortisation of concessional loan discount expenses	(23,347)	(21,441)
Allowance for credit loss expense	325	166
Amortisation of borrowing discount and transaction costs	2,287	3,230
Amortisation of unearned income and deferred net fee income	(5,790)	(814)
Capitalised loan interest and fees	(1,091)	(4,103)
<b>Reclassification on cash items</b>		
Decrease in other non-operating cash flow revenue items	(40,337)	(23,500)
Net disbursement of loan balances	(755,566)	(86,952)
<b>Movement in assets and liabilities</b>		
<b>Assets</b>		
Decrease/(increase) in net receivables	733	(2,925)
Increase/(decrease) in unearned income and deferred net fee income	4,719	(538)
Decrease/(increase) in prepayments	61	(319)
<b>Liabilities</b>		
Increase in employee provisions	1,088	1,036
Increase/(decrease) in supplier payables	6,486	(1,043)
Increase in other payables	18,617	3,227
<b>Net cash used by operating activities</b>	<b>(27,597)</b>	<b>(58,806)</b>

# Notes to and forming part of the financial statements *continued*

for the year ended 30 June 2024

## Note 4: People and relationships

### Note 4.1: Employee benefits

	2024 \$'000	2023 \$'000
<b>NOTE 4.1A: EMPLOYEE LEAVE AND OTHER ENTITLEMENTS</b>		
<b>Short-term employee benefits</b>		
Recreation leave	2,002	1,441
Long service leave	1,767	1,240
<b>Total employee provisions</b>	<b>3,769</b>	<b>2,681</b>
<b>Employee provisions expected to be settled in:</b>		
No more than 12 months	2,089	1,507
More than 12 months	1,680	1,174
<b>Total employee provisions</b>	<b>3,769</b>	<b>2,681</b>

#### Accounting Policy

##### *Employee Benefits*

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

##### *Leave*

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the applicable employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. Long service leave is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date and discounted using appropriate market yields at reporting date. The estimate of the present value of the liability considers attrition rates and pay increases through promotion and inflation.

##### *Superannuation*

The majority of Housing Australia staff are members of superannuation funds held outside the Australian Government. Housing Australia makes employer contributions to these funds as per the superannuation guarantee contribution rate.

Some Housing Australia staff are members of the Public Sector Superannuation Scheme (PSS) which is a defined benefits scheme for the Australian Government. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

Housing Australia makes employer contributions to the relevant employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised at 30 June 2024 represents outstanding contributions.



## Note 4.2: Related party disclosures

Total remuneration received and receivable by key management personnel for the year (includes Board members). Remuneration includes all cash remuneration, superannuation, and any non-cash benefits (including applicable fringe benefits tax).

	2024 \$	2023 \$
<b>Key management remuneration expenses for the reporting period</b>		
Short-term employee benefits	1,554,631	1,392,583
Post-employment benefits	182,471	140,427
Other long-term employee benefits	23,653	22,743
<b>Total remuneration</b>	<b>1,760,755</b>	<b>1,555,753</b>
<b>Total key management personnel remuneration expenses</b>	<b>1,760,755</b>	<b>1,555,753</b>
Total number of key management personnel that are included in the above table are:	12	11

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

The number of key management personnel at 30 June 2024 was ten (10) (2023: nine (9)) comprising the Chief Executive Officer, the Chief Financial Officer & Chief Operating Officer and 8 independent Non-Executive Board members. During the year 2024, two Board members stepped down and three new Board members were appointed.

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by Housing Australia.

The Board and CEO remuneration and other benefits are set by the Remuneration Tribunal. The Board members, Chief Executive Officer and the Chief Financial Officer & Chief Operating Officer are not paid performance awards.

## Note 4.3 Related party relationships

Housing Australia is an Australian Government controlled entity. Related parties to the entity are the key management personnel as defined above and other Australian Government entities.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens.

Significant transactions with related parties can include provision of corporate and administration services to Housing Australia, the provision of insurance, and the purchases of goods and services.

Where a Housing Australia Board member has an actual, apparent or potential conflict of interest in relation to a potential decision, that member does not receive papers or participate in discussions on that transaction, or that member may also excuse themselves for the party giving rise to the conflict of interest and manages conflict in this way to receive papers or participate in discussions on that transaction. A conflicts of interest register is maintained to record Board members' disclosed interests. Minutes from Board meetings record recusals as and when they occur.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no material related party transactions to be separately disclosed.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 5: Managing uncertainties

### Note 5.1: Contingencies and commitments

	2024 \$'000	2023 \$'000
<b>Commitments to provide financial facilities</b>		
Loans	386,344	424,572
NHIF loan and grant arrangements	292,109	229,664
<b>Total commitments to provide financial facilities</b>	<b>678,453</b>	<b>654,236</b>

#### Accounting Policy

##### *Contingencies and commitments – assets and liabilities*

Where, as a result of past events, there is a possible asset or liability whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Housing Australia this will be disclosed as a contingent asset or contingent liability. When the inflow of economic benefits is probable, but not virtually certain, Housing Australia will recognise the contingent asset. When the outflow of economic benefits is probable, Housing Australia will recognise the contingent liability.

Commitments to provide financial facilities are contractually based. Housing Australia has committed to lend a fixed amount for loans and any undrawn amounts under these facilities are shown as commitments.

### Note 5.2: Financial instruments

#### Accounting Policy

##### *Financial assets*

Financial assets are recognised when Housing Australia becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash, and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date. The classification depends on both Housing Australia's business model for managing the financial assets and the contractual cash flow characteristics at the time of initial recognition.

Consistent with AASB 9 Financial Instruments, Housing Australia classifies its financial assets in the following categories:

#### **a) Financial assets at amortised cost**

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount. Amortised cost is determined using the effective interest method.

##### *Effective Interest Method*

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

#### **b) Financial assets at Fair Value Through Other Comprehensive Income (FVOCI)**

Financial assets measured at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test. Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

#### **c) Financial assets at Fair Value Through Profit or Loss (FVTPL)**

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

##### *Impairment of Financial assets*

AASB 9 prescribes different approaches in applying the impairment model depending on the type of asset or exposure, including the 'general approach' and the 'simplified approach'.

The 'general approach' is used for financial assets assessed for impairment at the end of each reporting period based on expected credit losses. This approach measures the loss allowance based on an amount equal to 12-month expected credit losses, or an amount equal to lifetime expected credit losses where risk has significantly increased since inception.

The 'simplified approach' is used for trade and contract receivables assessed for impairment. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

#### Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Consistent with AASB 9 Financial Instruments, Housing Australia classifies its financial liabilities in the following categories:

##### a) Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

##### b) Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities at FVTPL are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

#### NOTE 5.2A: CATEGORIES OF FINANCIAL INSTRUMENTS

	2024 \$'000	2023 \$'000
<b>Financial assets</b>		
Financial assets at amortised cost		
Cash and cash equivalents	1,320,666	291,442
Trade and other receivables	5,277	6,010
Loans and advances	2,837,061	2,119,833
Other investments	617,334	693,840
<b>Total</b>	<b>4,780,338</b>	3,111,125
<b>Total financial assets</b>	<b>4,780,338</b>	3,111,125
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
Supplier payables	8,088	1,602
Other payables	28,483	9,866
Loans from the Australian Government	238,010	76,108
Fixed rate bonds	2,535,428	2,058,607
Floating rate notes	100,000	100,000
<b>Total</b>	<b>2,910,009</b>	2,246,183
<b>Total financial liabilities</b>	<b>2,910,009</b>	2,246,183

#### NOTE 5.2B: NET GAINS OR LOSSES ON FINANCIAL ASSETS

	2024 \$'000	2023 \$'000
<b>Financial assets at amortised cost</b>		
Interest revenue	137,948	88,770
Allowance for credit loss expense	(325)	(166)
<b>Net gains/(losses) on financial assets at amortised cost</b>	<b>137,623</b>	88,604
<b>Net gains/(losses) on financial assets</b>	<b>137,623</b>	88,604

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 5.2: Financial instruments (continued)

### NOTE 5.2C: NET GAINS OR LOSSES ON FINANCIAL LIABILITIES

	2024 \$'000	2023 \$'000
<b>Financial liabilities at amortised cost</b>		
Interest expense	67,410	45,309
<b>Net gains/(loss) on financial liabilities at amortised cost</b>	67,410	45,309
<b>Net gains/(loss) on financial liabilities</b>	67,410	45,309

### NOTE 5.2D: FAIR VALUE OF FINANCIAL INSTRUMENTS

	Carrying amount 2024 \$'000	Fair value 2024 \$'000	Carrying amount 2023 \$'000	Fair value 2023 \$'000
<b>Financial assets at amortised cost</b>				
Cash and cash equivalents	1,320,666	1,320,666	291,442	291,442
Trade and other receivables	5,277	5,277	6,010	6,010
Loans and advances	2,837,061	2,966,117	2,119,833	2,052,817
Other investments	617,334	618,957	693,840	698,050
<b>Total financial assets</b>	4,780,338	4,911,017	3,111,125	3,048,319
<b>Financial liabilities at amortised cost</b>				
Other payables	28,483	28,483	9,866	9,866
Loans from the Australian Government	238,010	239,731	76,108	74,359
Fixed rate bonds	2,535,428	2,280,737	2,058,607	1,687,152
Floating rate notes	100,000	102,178	100,000	100,675
<b>Total financial liabilities</b>	2,901,921	2,651,129	2,244,581	1,872,052

### NOTE 5.2E: CREDIT RISK

Credit risk arises from the possibility of defaults by counterparties on contractual obligations, resulting in financial loss.

Exposures to credit risk for Housing Australia are as follows:

	Note	2024 \$'000	2023 \$'000
<b>Credit risk exposures</b>			
Cash and cash equivalents	2.1A	1,320,666	291,442
Trade and other receivables	2.1B	4,291	5,570
Gross loans and advances	2.1C	3,084,760	2,328,103
Other investments	2.1D	617,334	693,840
<b>Total*</b>		5,027,051	3,318,955
Committed credit facilities	5.1	678,453	654,236
<b>Total</b>		678,453	654,236
<b>Total credit risk exposure</b>		5,705,504	3,973,191

\* Other receivables, property, plant and equipment, and intangibles, loans from the Australian Government have not been included in the above table as there is no significant associated credit risk.

	2024		
	Not past due nor impaired \$'000	Past due or impaired \$'000	Total \$'000
<b>Credit quality of financial instruments not past due or individually determined as impaired</b>			
Cash and cash equivalents	1,320,666	–	1,320,666
Trade and other receivables	4,291	–	4,291
Loans and advances	3,084,760	–	3,084,760
Other investments	617,334	–	617,334
<b>Total financial assets</b>	<b>5,027,051</b>	<b>–</b>	<b>5,027,051</b>
Committed credit facilities	678,453	–	668,786
<b>Total credit risk exposure</b>	<b>5,705,504</b>	<b>–</b>	<b>5,695,837</b>

	2023		
	Not past due nor impaired \$'000	Past due or impaired \$'000	Total \$'000
<b>Credit quality of financial instruments not past due or individually determined as impaired</b>			
Cash and cash equivalents	291,442	–	291,442
Trade and other receivables	5,262	308	5,570
Gross loans and advances	2,328,103	–	2,328,103
Other investments	693,840	–	693,840
<b>Total financial assets</b>	<b>3,318,647</b>	<b>308</b>	<b>3,318,955</b>
Committed credit facilities	654,236	–	654,236
<b>Total credit risk exposure</b>	<b>3,972,883</b>	<b>308</b>	<b>3,973,191</b>

### Exposure to customers

Housing Australia's principal exposure to credit risk arises from the financing and credit facilities extended to customers.

Housing Australia evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained is based on Management's credit evaluation of the counterparty. Collateral held will vary, but may include:

- a general security deed over all assets and undertakings of the counterparty.
- first registered mortgages over the collateral property securities.
- specific charges over defined assets of the counterparty.
- ancillary deeds where applicable.
- facility and common terms agreements which include affirmative and negative covenants and, in some instances, guarantees of counterparty obligations.

To support the portfolio of loan exposure, Housing Australia holds collateral security taken at financial settlement of the relevant facilities in accordance with its credit policy.



# Notes to and forming part of the financial statements *continued*

for the year ended 30 June 2024

## Note 5.2: Financial instruments (continued)

	2024 \$'000	2023 \$'000
<b>Assets held as collateral</b>		
<b>Fair value of assets held as collateral</b>		
Non-financial assets pledged as collateral	<b>5,446,057</b>	5,060,416
<b>Total assets held as collateral</b>	<b>5,446,057</b>	5,060,416

The fair value movement during the year is attributable to new collateral or security being pledged to Housing Australia on new facilities extended, and movements in the fair value of existing portfolio of security held upon revaluation during the current year.

Housing Australia uses nine broad categories of risk grade, with category 1 representing the lowest risk. Within categories 1 to 6 an outlook modifier of plus or minus is used if the counterparty is particularly strong or weak for that risk grade. The equivalent risk, based on Standards and Poor's risk rating, is stated in brackets.

The gross exposures of the loan portfolio under each category are as follows:

	2024		2023	
	Loan value \$'000	%	Loan value \$'000	%
<b>Gross loans and advances</b>				
Risk category 1 (AA- to AAA)	<b>44,002</b>	<b>1%</b>	35,958	1%
Risk category 2 (A- to A+)	<b>901</b>	<b>—</b>	863	—
Risk category 3 (BBB- to BBB+)	<b>907,323</b>	<b>30%</b>	881,219	38%
Risk category 4 (BB- to BB+)	<b>1,982,534</b>	<b>64%</b>	1,410,063	61%
Risk category 5 (B- to B+)	<b>150,000</b>	<b>5%</b>	—	—
<b>Total gross loans and advances</b>	<b>3,084,760</b>	<b>100%</b>	2,328,103	100%

### Accounting Judgements and Estimates

#### Impairment assessment

Probability of Default (PD) estimation uses the bond default statistics which are the average of the default rates on rated corporate bonds from Moody's and Standard & Poor's for Housing Australia's asset loans and uses the bond default statistics from Standard & Poor's for Housing Australia's project finance loans. These statistics give the probability of default for each risk grade over annual periods out to 15 – 20 years. In applying these default statistics, the risk grades and tenors of Moody's and Standard & Poor's data are aligned to Housing Australia's own internal risk grades and tenors. PDs are adjusted up by a risk overlay which is consistent with the market range.

The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that Housing Australia would expect to receive, including from the realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately. Housing Australia currently uses a portfolio LGD rate which is based on key characteristics that are relevant to the estimation of future cash flows (e.g., collateral type and loan-to-value ratios).

The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

The ECL at 30 June 2024 is calculated as PD x LGD x EAD for each transaction in the portfolio. Management use judgements and make assumptions based on a variety of internal and external information. Based on these judgements, Housing Australia's assessment has determined that there has been no significant increase in credit risk at this time for any transaction in the portfolio.

Housing Australia continues to actively monitor the loan portfolio for risks with the housing industry and in particular movement in interest rates and cost of construction. CHPs continue to provide compliance certificates, financial and non-financial undertakings and data to enable completion of annual reviews. All such reporting is up to date.

Construction facilities are monitored via independent quantity surveyor reports, generally monthly. As such, Housing Australia is well positioned to detect any early signs of distress their clients may be experiencing. Housing Australia also conducts interest rate and valuation sensitivity analysis in the client's annual reviews to ensure CHPs are able to meet their financial obligations.

With the above monitoring controls in place, Housing Australia believes the CHP client base is well-placed to continue navigating through the environment of movement in interest rates and cost of construction.

Accordingly, for ECL calculation purposes, the Housing Australia loan portfolio remains in Stage 1.

Allowance for credit risk on the above gross exposures of loans and advances is as follows:

	2024 \$'000	2023 \$'000
<b>Allowance for credit loss by type:</b>		
Allowance for credit loss on loans and advances	(3,832)	(3,506)
<b>Total as at 30 June</b>	<b>(3,832)</b>	<b>(3,506)</b>
	2024 \$'000	2023 \$'000
<b>Reconciliation of the allowance for credit loss:</b>		
Allowance for credit loss opening balance:	(3,506)	(3,340)
New exposures	(1,421)	(194)
Change in risk grade	76	1
Change in PD and LGD	1,019	27
<b>Allowance for credit loss closing balance:</b>	<b>(3,832)</b>	<b>(3,506)</b>

A reconciliation of changes in gross carrying amount and corresponding ECL allowances by Stage for loans and advances is as follows:

	2024					
	Stage 1		Stage 2		Stage 3	
	Gross carrying amount \$'000	ECL \$'000	Gross carrying amount \$'000	ECL \$'000	Gross carrying amount \$'000	ECL \$'000
<b>Allowance for credit loss by stage</b>						
Loans and advances	3,084,760	(3,832)	–	–	–	–
<b>Total</b>	<b>3,084,760</b>	<b>(3,832)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
	2023					
	Stage 1		Stage 2		Stage 3	
	Gross carrying amount \$'000	ECL \$'000	Gross carrying amount \$'000	ECL \$'000	Gross carrying amount \$'000	ECL \$'000
<b>Allowance for credit loss by stage</b>						
Loans and advances	2,328,103	(3,506)	–	–	–	–
<b>Total</b>	<b>2,328,103</b>	<b>(3,506)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

# Notes to and forming part of the financial statements *continued*

for the year ended 30 June 2024

## Note 5.2: Financial instruments (continued)

As part of its normal operations, Housing Australia enters into a variety of transactions that give rise to commitments, including loans and NHIF loan and grant arrangements. The maximum exposure to credit risk is the full amount of the commitment.

	2024		2023	
	Facility value \$'000	%	Facility value \$'000	%
<b>Commitments</b>				
Risk category 1 (AA- to AAA)	<b>256,289</b>	<b>38%</b>	199,756	31%
Risk category 2 (A- to A+)	<b>7,637</b>	<b>1%</b>	7,675	1%
Risk category 3 (BBB- to BBB+)	<b>285,883</b>	<b>42%</b>	349,508	53%
Risk category 4 (BB- to BB+)	<b>128,644</b>	<b>19%</b>	97,296	15%
<b>Total commitments</b>	<b>678,453</b>	<b>100%</b>	654,235	100%

### Exposure to guarantee schemes

HGS exposure is comprised of four different guarantee types for the 2023–2024 period:

- 35,000 places for the First Home Buyer Guarantee (FHBG), previously known as the First Home Loan Deposit Scheme (FHLDS);
- 5,000 places for the Family Home Guarantee (FHG);
- 10,000 places for the Regional First Home Buyer Guarantee (RFHBG);
- No additional New Home Guarantee (NHG) places were made available in 2023–24, although previously issued guarantees continued to be managed by Housing Australia.

At 30 June 2024, there were 67,730 active guarantee certificates under the FHBG, 6,287 active guarantee certificates under the NHG, 4,828 active guarantee certificates under the FHG and 13,388 active guarantee certificates under the RFHBG. Active guarantee certificates are guarantees for those loans which have settled or are pending settlement, and where the guarantee has not been released.

A legal liability is created once the application reaches pending settlement stage with the guaranteed maximum liability of each guarantee calculated at up to 15 per cent (FHBG, NHG and RFHBG) or up to 18 per cent (FHG) of the value of the property and in accordance with s 29H(2) of *Housing Australia Investment Mandate Direction 2018*.

Under s 48A(1) of the Housing Australia Act, a standing appropriation was established as the funding mechanism and will provide Housing Australia with funds to meet guarantee liabilities once a claim is made. A guarantee issued by Housing Australia will only cover a payment where there is a balance owing on the guaranteed loan following the application of the proceeds of sale by the lender that was as a consequence of the default by the borrower under the terms of the loan contract. Once a verified claim has been submitted to Housing Australia, Housing Australia will request funding from the Treasury to settle the claims. Housing Australia considers the legislation integral to the contractual terms of the guarantees that it issues.

Credit risk arising from the administration of the HGS guarantees issued is limited to the guaranteed maximum liability of each individual guarantee. For the exposures to credit risk, Housing Australia measures an ECL.

Housing Australia recognises a \$nil ECL at 30 June 2024 on the basis that the funding from the Department of the Treasury to meet Housing Australia's guarantee liabilities is included into its ECL calculations. Therefore, Housing Australia does not expect to incur any losses in respect to payment of guarantee claims.

The table below shows maximum credit risk exposures for all Guarantees when excluding cashflows from the Department of the Treasury:

	2024 \$'000	2023 \$'000
<b>Maximum exposure to credit risk (excluding any collateral or credit enhancement)</b>		
<b>Financial assets carried at amount not best representing maximum exposure to credit risk</b>		
Guarantees for FHBG	4,561,336	2,929,238
Guarantees for NHG	428,823	573,659
Guarantees for FHG	320,005	280,805
Guarantees for RFHBG	803,831	297,402
<b>Total financial assets carried at amount not best representing maximum exposure to credit risk</b>	<b>6,113,995</b>	<b>4,081,104</b>

#### Exposure to treasury counterparties

The PGPA Act limits investment by Housing Australia of surplus monies to:

- (i) money with to Authorised Deposit-taking Institutions (ADIs) in Australia rated A- or above;
- (ii) securities issued by or guaranteed by the Commonwealth, a state or territory;
- (iii) money with other entities with credit ratings the equivalent of AA- or better;
- (iv) deposits with, or securities issued by, the above ADIs.

Credit risk arising from Housing Australia through its investment portfolios is primarily limited to ADIs rated AA- with a minor proportion rated A+.

The table below show investment credit risk exposures by the current counterparty rating:

	2024		2023	
	Investment value \$'000	%	Investment value \$'000	%
<b>Other investments</b>				
<b>Australian Authorised Deposit-taking Institutions</b>				
AA+ to AA-	601,770	97%	680,272	98%
A+ to A-	15,564	3%	13,568	2%
<b>Total other investments</b>	<b>617,334</b>	<b>100%</b>	<b>693,840</b>	<b>100%</b>

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 5.2: Financial instruments (continued)

### NOTE 5.2F: LIQUIDITY RISK

Prudent liquidity risk management is achieved by maintaining sufficient cash and liquid deposits to meet any sudden shortfalls in the ability to fund Housing Australia. Housing Australia also has the explicit guarantee of the Commonwealth of Australia, which is rated AAA and therefore in normal markets there is no significant liquidity risk.

The liquidity table below is based on estimated future cash flows for principal and interest and is not their carrying amounts as shown on the Statement of financial position. The contractual undiscounted amounts comprise principal and interest repayment obligations and are as follows:

	2024			
	Contractual undiscounted principal and interest			
	3 months or less \$'000	3 months to 1 year \$'000	1 year to 5 years \$'000	More than 5 years \$'000
<b>Undiscounted financial assets</b>				
Cash and cash equivalents	1,320,666	–	–	–
Trade and other receivables	5,277	–	–	–
Loans and advances	114,239	243,372	806,295	2,921,743
Other investments	682,645	637,707	5,130	–
<b>Total undiscounted financial assets</b>	<b>2,122,827</b>	<b>881,079</b>	<b>811,425</b>	<b>2,921,743</b>
<b>Undiscounted financial liabilities</b>				
Other interest-bearing liabilities	64,234	220,072	661,330	2,697,487
<b>Total undiscounted financial liabilities</b>	<b>64,234</b>	<b>220,072</b>	<b>661,330</b>	<b>2,697,487</b>
<b>Net undiscounted financial assets</b>	<b>2,058,592</b>	<b>661,007</b>	<b>150,094</b>	<b>224,256</b>

The above maturity profile shows that Housing Australia is well capitalised to meet its contractual repayment obligations as and when they arise.

	2023			
	Contractual undiscounted principal and interest			
	3 months or less \$'000	3 months to 1 year \$'000	1 year to 5 years \$'000	More than 5 years \$'000
<b>Undiscounted financial assets</b>				
Cash and cash equivalents	291,442	–	–	–
Trade and other receivables	4,307	274	–	–
Loans and advances	11,676	120,337	313,286	2,425,542
Other investments	499,580	150,861	53,158	–
<b>Total undiscounted financial assets</b>	<b>807,005</b>	<b>271,472</b>	<b>366,444</b>	<b>2,425,542</b>
<b>Undiscounted financial liabilities</b>				
Other interest-bearing liabilities	7,865	29,974	255,675	2,364,344
<b>Total undiscounted financial liabilities</b>	<b>7,865</b>	<b>29,974</b>	<b>255,675</b>	<b>2,364,344</b>
<b>Net undiscounted financial assets</b>	<b>799,140</b>	<b>241,498</b>	<b>110,769</b>	<b>61,198</b>



## NOTE 5.2G: INTEREST RATE RISK

Housing Australia is exposed to interest rate risk through its borrowing, lending and investment activities. Housing Australia has limited appetite for interest rate risk and seeks to structure its business activities accordingly. For example, the AHBA currently operates a matched funding model, whereby loans are provided to CHPs at rates and tenors matched to the yield on Housing Australia bonds or funding from Government via the Line of Credit facility. Further, Housing Australia's loan facilities contain break cost clauses to ensure Housing Australia is not exposed to reinvestment risk on early loan repayments.

Notwithstanding the above arrangements, Housing Australia has residual interest rate risk exposure from mismatches in cash flows between funding and loans, including where Housing Australia has issued bonds at a discount to their face value and from the investment of cash and other liquid financial assets. Housing Australia has policies and procedures in place for the measurement, management and reporting of interest rate risk.

Housing Australia's primary exposure to interest rate risks on interest-bearing financial assets and financial liabilities is set out below:

	2024 \$'000	2023 \$'000
<b>Interest-bearing financial assets</b>		
<b>Classified as floating rate</b>		
Cash and cash equivalents	1,320,666	291,442
Loans to Community Housing Providers	100,000	100,000
Other investments	57,065	73,584
<b>Total classified as floating rate</b>	<b>1,477,731</b>	465,026
<b>Classified as fixed rate</b>		
Other investments	560,269	620,256
Loans to Community Housing Providers	2,775,191	2,141,019
National Housing Infrastructure Facility loans	209,569	87,084
<b>Total classified as fixed rate</b>	<b>3,545,029</b>	2,848,359
<b>Interest-bearing financial liabilities</b>		
<b>Classified as floating rate</b>		
Other interest-bearing liabilities	100,000	100,000
<b>Total classified as floating rate</b>	<b>100,000</b>	100,000
<b>Classified as fixed rate</b>		
Other interest-bearing liabilities	2,773,438	2,134,715
<b>Total classified as fixed rate</b>	<b>2,773,438</b>	2,134,715

### Sensitivity analysis of the risk that the entity is exposed to for 2024

The cash and cash equivalents are expected to be invested in loans and advances and other debt securities in the short-term. The face value of the floating rate loans is directly matched against a floating rate borrowing. A +/-136bps change the interest rate on floating rate financial assets and financial liabilities would have approximately a \$4.9 million impact on the reported profit. Housing Australia's fixed rate assets and liabilities are held at amortised cost and any change to fair value arising from a movement in the market interest rates has no impact on the reported profit or loss.

# Notes to and forming part of the financial statements *continued*

for the year ended 30 June 2024

## Note 6: Other information

### Note 6.1: Reporting of Housing Australia activities

For the purposes of sectoral classification of Government Finance Statistics (GFS) the NHIF, HGS, HAFFF, NHAFF, and Other are classified as general government sector (GGS) and AHBA is classified as a public financial corporation (PFC).

	2024						
	PFC	GGS					
	AHBA* \$'000	NHIF \$'000	HGS \$'000	HAFFF \$'000	NHAF \$'000	Other \$'000	
Income							
Interest and loan fee revenue	111,410	48,748	–	1,137	–	–	161,295
Revenue from Government	–	700,000	5,207	23,491	2,743	1,887	733,328
<b>Total income</b>	<b>111,410</b>	<b>748,748</b>	<b>5,207</b>	<b>24,628</b>	<b>2,743</b>	<b>1,887</b>	<b>894,623</b>
Expenses							
Employee benefits	16,509	–	3,168	6,125	901	–	26,703
Suppliers	1,398	4,065	1,894	17,055	3,930	–	28,342
Finance costs	67,410	–	–	–	–	–	67,410
Grants	–	7,588	–	–	–	–	7,588
Claims	–	–	36	–	–	–	36
Depreciation and amortisation	64	–	177	90	24	–	355
Other <sup>1</sup>	–	2,722	–	–	(2,722)	–	–
<b>Total expenses net of provisions</b>	<b>85,381</b>	<b>14,375</b>	<b>5,275</b>	<b>23,270</b>	<b>2,133</b>	<b>–</b>	<b>130,434</b>
Allowance for credit loss expense	317	8	–	–	–	–	325
Concessional loan provisions	35,186	11,485	–	–	–	–	46,671
<b>Total expenses</b>	<b>120,884</b>	<b>25,868</b>	<b>5,275</b>	<b>23,270</b>	<b>2,133</b>	<b>–</b>	<b>177,430</b>
<b>Profit/(loss)</b>	<b>(9,474)</b>	<b>722,880</b>	<b>(68)</b>	<b>1,358</b>	<b>610</b>	<b>1,887</b>	<b>717,193</b>
Assets							
Financial assets							
Cash and cash equivalents	58,121	1,248,401	1,900	7,477	2,880	1,887	1,320,666
Trade and other receivables <sup>2</sup>	7,210	2,569	47	798	31	–	10,655
Loans and advances	2,640,725	196,336	–	–	–	–	2,837,061
Other investments	29,657	587,677	–	–	–	–	617,334
Non-financial assets						–	
Property, plant and equipment and intangible assets	11,750	–	–	973	269	–	12,992
Prepayments	486	–	–	–	–	–	486
<b>Total assets</b>	<b>2,747,949</b>	<b>2,034,983</b>	<b>1,947</b>	<b>9,248</b>	<b>3,180</b>	<b>1,887</b>	<b>4,799,194</b>
Liabilities							
Suppliers	4,278	–	696	3,149	(35)	–	8,088
Other payables <sup>2</sup>	23,807	4,063	416	3,030	2,545	–	33,861
Leases	10,683	–	–	–	–	–	10,683
Other interest-bearing Liabilities	2,873,438	–	–	–	–	–	2,873,438
Employee provisions	2,707	–	610	392	60	–	3,769
Other provisions	18,135	–	–	–	–	–	18,135
<b>Total liabilities</b>	<b>2,933,048</b>	<b>4,063</b>	<b>1,722</b>	<b>6,571</b>	<b>2,570</b>	<b>–</b>	<b>2,947,974</b>
<b>Net assets</b>	<b>(185,099)</b>	<b>2,030,920</b>	<b>225</b>	<b>2,677</b>	<b>610</b>	<b>1,887</b>	<b>1,851,220</b>

	2024						Total \$'000
	PFC	GGS					
	AHBA* \$'000	NHIF \$'000	HGS \$'000	HAFFF \$'000	NHAF \$'000	Other \$'000	
Equity							
Contributed equity	–	1,125,000	–	–	–	–	1,125,000
Retained earnings	(175,625)	183,040	293	1,319	–	–	9,027
Retained surplus/(deficit)	(9,474)	722,880	(68)	1,358	610	1,887	717,193
Total equity	(185,099)	2,030,920	225	2,677	610	1,887	1,851,220

\* Housing Australia AHBA shows a negative equity position primarily due to non-cash concessional loan charges associated with loans advanced and committed. The charges will progressively be written back over the life of the loans.

1. (\$2,722,000) has been presented as an offset in other expense in NHAF to reflect the appropriations provided by the Government, which has been offset by expense in NHIF as a result of the Government decision for Housing Australia to transfer funds to the Department of the Treasury.
2. Trade and other receivables and other payables are grossed up by \$5,378,000 to reflect unconsolidated payables and receivables between reporting classifications.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 6.1: Reporting of Housing Australia activities (continued)

For the purposes of sectoral classification of Government Finance Statistics (GFS) the NHIF, HGS, HAFFF, NHAF, and Other are classified as general government sector (GGS) and AHBA is classified as a public financial corporation (PFC).

	2023					Total \$'000
	PFC	GGS				
	AHBA* \$'000	NHIF \$'000	HGS \$'000	RESEARCH \$'000	Other \$'000	
Income						
Interest and loan fee revenue	82,707	27,504	–	–	–	110,211
Revenue from Government	–	35,000	4,653	1,763	7,674	49,090
Other revenue	–	–	–	–	–	–
Total income	82,707	62,504	4,653	1,763	7,674	159,301
Expenses						
Employee benefits	13,585	–	2,531	1,310	72	17,498
Suppliers	543	3,411	2,086	1,108	6,283	13,431
Finance costs	45,309	–	–	–	–	45,309
Grants	–	7,727	–	–	–	7,727
Depreciation and amortisation	–	–	352	–	–	352
Total expenses net of provisions	59,437	11,138	4,969	2,418	6,355	84,317
Allowance for credit loss expense	161	5	–	–	–	166
Concessional loan provisions	28,804	1,120	–	–	–	29,924
Total expenses	88,402	12,263	4,969	2,418	6,355	114,407
Profit/(loss)	(5,695)	50,241	(316)	(655)	1,319	44,894
Assets						
Financial assets						
Cash and cash equivalents	27,566	258,860	1,336	274	3,406	291,442
Trade and other receivables <sup>1</sup>	7,344	3,986	51	36	263	11,680
Loans and advances	2,034,303	85,530	–	–	–	2,119,833
Other investments	30,101	663,739	–	–	–	693,840
Non-financial assets						
Property, plant and equipment and intangible assets	17	–	178	–	–	195
Prepayments	546	–	–	–	–	546
Total assets	2,099,877	1,012,115	1,565	310	3,669	3,117,536
Liabilities						
Suppliers	1,602	–	–	–	–	1,602
Other payables <sup>1</sup>	8,671	3,410	970	135	2,350	15,536
Other interest-bearing Liabilities	2,234,715	–	–	–	–	2,234,715
Employee provisions	2,204	–	315	162	–	2,681
Other provisions	28,310	665	–	–	–	28,975
Total liabilities	2,275,502	4,075	1,285	297	2,350	2,283,509
Net assets	(175,625)	1,008,040	280	13	1,319	834,027

	2023					Total \$'000
	PFC	GGS				
	AHBA* \$'000	NHIF \$'000	HGS \$'000	RESEARCH \$'000	Other \$'000	
Equity						
Contributed equity	–	825,000	–	–	–	825,000
Retained earnings	(169,930)	132,799	596	668	–	(35,867)
Retained surplus/(deficit)	(5,695)	50,241	(316)	(655)	1,319	44,894
Total equity	(175,625)	1,008,040	280	13	1,319	834,027

\* Housing Australia AHBA shows a negative equity position primarily due to non-cash concessional loan charges associated with loans advanced and committed. The charges will progressively be written back over the life of the loans.

1. Trade and other receivables and other payables are grossed up by \$5,670,000 to reflect unconsolidated payables and receivables between reporting classifications.

## Note 6.2 Budgetary Reports and Explanation of Major Variances

### NOTE 6.2A: BUDGETARY REPORTS

For purposes of sectoral classification of Government Finance Statistics (GFS) the NHIF, HGS, HAFFF, NHAFF, and Other are classified as general government sector (GGS). The following tables provide a comparison of the original Budget for Housing Australia's GGS section, as presented in the 2023–24 Portfolio Budget Statements (PBS) submitted in May 2023, to the Actual 2023–24 outcome as presented in accordance with Australian Accounting Standards for Housing Australia. The Budget is not audited.

### Statement of Comprehensive Income (GGS) for the year ended 30 June 2024

	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000
<b>Income</b>			
Interest income calculated using the effective interest method	49,885	39,260	10,625
Revenue from Government	733,328	40,892	692,436
<b>Total income</b>	<b>783,213</b>	<b>80,152</b>	<b>703,061</b>
<b>Expenses</b>			
Employee benefits	10,194	21,723	(11,529)
Suppliers	26,944	24,067	2,877
Concessional loan discount expense	11,485	11,374	111
Allowance for credit loss expense	8	866	(858)
Grants	7,588	32,484	(24,896)
Claims	36	1,202	(1,166)
Depreciation and amortisation	291	178	113
<b>Total expenses</b>	<b>56,546</b>	<b>91,894</b>	<b>(35,347)</b>
<b>Profit/(loss)</b>	<b>726,667</b>	<b>(11,742)</b>	<b>738,409</b>
<b>Other comprehensive Income</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total comprehensive income</b>	<b>726,667</b>	<b>(11,742)</b>	<b>738,409</b>

1. Housing Australia's budgeted financial statements that were presented to Parliament in May 2023 in respect of the reporting period for financial year 2023–24. Some line items that were presented and classified on a basis that is consistent with the presentation and classification adopted in the financial statements prepared in accordance with Australian Accounting Standards.

2. Difference between the actual and original budgeted amounts for 2023–24. Explanations of major variances are provided after the tables in Note 6.2B.



# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 6.2 Budgetary Reports and Explanation of Major Variances (continued)

### Statement of Financial Position (GGS) at 30 June 2024

	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	1,262,545	53,507	1,209,038
Trade and other receivables	3,445	1,285	2,160
Loans and advances	196,336	238,842	(42,506)
Other investments	587,677	707,698	(120,021)
<b>Total financial assets</b>	<b>2,050,003</b>	<b>1,001,332</b>	<b>1,048,671</b>
<b>Non-financial assets</b>			
Property, plant, and equipment and intangible assets	1,242	–	1,242
<b>Total non-financial assets</b>	<b>1,242</b>	<b>–</b>	<b>1,242</b>
<b>Total assets</b>	<b>2,051,245</b>	<b>1,001,332</b>	<b>1,049,913</b>
<b>Liabilities</b>			
Payables	13,864	3,304	10,560
<b>Total payables</b>	<b>13,864</b>	<b>3,304</b>	<b>10,560</b>
<b>Provisions</b>			
Employee leave and other entitlements	1,062	239	823
Other provisions	–	125	(125)
<b>Total provisions</b>	<b>1,062</b>	<b>364</b>	<b>698</b>
<b>Total liabilities</b>	<b>14,926</b>	<b>3,668</b>	<b>11,258</b>
<b>Net assets</b>	<b>2,036,319</b>	<b>997,664</b>	<b>1,038,655</b>
<b>Equity</b>			
Contributed equity	1,125,000	825,000	300,000
Retained earnings	911,319	172,664	738,655
<b>Total equity</b>	<b>2,036,319</b>	<b>997,664</b>	<b>1,038,655</b>

1. Housing Australia's budgeted financial statements that were presented to Parliament in May 2023 in respect of the reporting period for financial year 2023–24. Some line items that were presented and classified on a basis that is consistent with the presentation and classification adopted in the financial statements prepared in accordance with Australian Accounting Standards.
2. Difference between the actual and original budgeted amounts for 2023–24. Explanations of major variances are provided in Note 6.2B.

**Statement of changes in equity (GGS)  
for the year ended 30 June 2024**

	Retained earnings			Contributed equity			Total equity		
	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000
<b>Opening balance at 1 July 2023</b>	<b>184,652</b>	184,406	246	<b>825,000</b>	825,000		<b>1,009,652</b>	1,009,406	246
<b>Comprehensive income</b>									
Profit for the period	<b>726,667</b>	(11,742)	738,409	–	–	–	<b>726,667</b>	(11,742)	738,409
<b>Total comprehensive income</b>	<b>726,667</b>	(11,742)	738,409	–	–	–	<b>726,667</b>	(11,742)	738,409
<b>Transactions with owners</b>									
Equity contribution	–	–	–	<b>300,000</b>	–	300,000	<b>300,000</b>	–	300,000
<b>Total transactions with owners</b>	–	–	–	<b>300,000</b>	–	300,000	<b>300,000</b>	–	300,000
<b>Closing balance at 30 June 2024</b>	<b>911,319</b>	172,664	738,655	<b>1,125,000</b>	825,000	300,000	<b>2,036,319</b>	997,664	1,038,655

1. Housing Australia's budgeted financial statements that were presented to Parliament in May 2023 in respect of the reporting period for financial year 2023–24.
2. Difference between the actual and original budgeted amounts for 2023–24. Explanations of major variances are provided in Note 6.2B.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 6.2 Budgetary Reports and Explanation of Major Variances (continued))

### Statement of cash flows (GGS) for the year ended 30 June 2024

	Actual \$'000	Budget <sup>1</sup> \$'000	Variances <sup>2</sup> \$'000
<b>Cash flows from operating activities</b>			
<b>Cash received</b>			
Interest and loan fees	44,438	34,670	9,768
Contributions from Government	733,328	40,892	692,436
<b>Total cash received</b>	<b>777,766</b>	<b>75,562</b>	<b>702,204</b>
<b>Cash used</b>			
Employees	5,462	21,799	(16,337)
Suppliers (inclusive of GST)	24,489	21,311	3,178
Grants paid	7,588	32,484	(24,896)
Other operating payments	36	3,963	(3,927)
<b>Total cash used</b>	<b>37,575</b>	<b>79,557</b>	<b>(41,982)</b>
<b>Net cash from/(used by) operating activities</b>	<b>740,191</b>	<b>(3,995)</b>	<b>744,186</b>
<b>Cash flows from investing activities</b>			
<b>Cash received</b>			
Net proceeds of investments	79,967	170,844	(90,877)
Repayment of advances and loans	4,418	21,135	(16,717)
<b>Total cash received</b>	<b>84,385</b>	<b>191,979</b>	<b>(107,594)</b>
<b>Cash used</b>			
Purchases of property, plant, equipment and intangibles	1,419	–	1,419
Increase in loans and advances	124,488	190,682	(66,194)
<b>Total cash used</b>	<b>125,907</b>	<b>190,682</b>	<b>(64,775)</b>
<b>Net cash (used by)/from investing activities</b>	<b>(41,522)</b>	<b>1,297</b>	<b>(42,819)</b>
<b>Cash flows from financing activities</b>			
<b>Cash received</b>			
Equity injection	300,000	–	300,000
<b>Total cash received</b>	<b>300,000</b>	<b>–</b>	<b>300,000</b>
<b>Net cash from financing activities</b>	<b>300,000</b>	<b>–</b>	<b>300,000</b>
<b>Net increase in cash equivalents held</b>	<b>998,669</b>	<b>(2,698)</b>	<b>1,001,367</b>
Cash equivalents at beginning of financial period	263,876	56,205	207,671
<b>Cash equivalents at end of financial period</b>	<b>1,262,545</b>	<b>53,507</b>	<b>1,209,038</b>

- Housing Australia's budgeted financial statements that were presented to Parliament in May 2023 in respect of the reporting period for financial year 2023–24. Some line items that were presented and classified on a basis that is consistent with the presentation and classification adopted in the financial statements prepared in accordance with Australian Accounting Standards.
- Difference between the actual and original budgeted amounts for 2023–24. Explanations of major variances are provided in Note 6.2B.

## NOTE 6.2B: MAJOR BUDGET VARIANCE FOR 2023–24

### Affected line items (GGS)

### Explanations of major variances

#### Statement of comprehensive income (GGS):

Interest income calculated using the effective interest method	Interest income is \$10.6 million higher than budget, due to higher interest-bearing financial assets balances and interest rates earned than the budget assumption.
Revenue from Government	Revenue from Government is \$692.4 million higher than budget, due to \$700.0 million received in June 2024 as part of the additional \$1 billion for NHIF that was announced at Mid-Year Economic and Fiscal Outlook (MYEFO).
Employee benefits	The budget had assumed the HAFF program commenced in July 2023. Due to timing of passage of legislation and recruitment process, employee benefits were \$11.5 million lower than budget.
Grants	Total grants made are \$24.9 million lower than budget due to the timing of drawdowns and transactions reaching financial close.

#### Statement of financial positions and changes in equity (GGS)

Cash and cash equivalents	Cash and cash equivalents are \$1.2 billion higher than budget, mainly due to receipt of \$1.0 billion in June 2024 for NHIF that was announced at MYEFO.
Loans and advances	Loans and advances are \$42.5 million lower than budget, due to the timing of drawdowns and transactions reaching financial close.
Other investments	Other investments are \$120.0 million lower than budget, due to increase in cash and cash equivalents for liquidity purposes instead of short-term investments.
Payables	Payables are \$10.6 million higher than budget, mainly due to timing differences for accrued expenses and actual receipt of supplier invoices.
Contributed equity	Contributed equity is \$300.0 million higher than budget, due to \$300.0 million received in June 2024 as part of the additional \$1 billion for NHIF that was announced at MYEFO.

#### Statement of cash flows (GGS)

Interest and loan fees	Interest and loan fees are \$9.8 million higher than budget, due to higher interest-bearing financial assets balances and interest rates earned than the budget assumption.
Contributions from government	Contributions from Government is \$692.4 million higher than budget, due to \$700.0 million received in June 2024 as part of the additional \$1 billion for NHIF that was announced at MYEFO.
Payments for employees	Payments to employees is \$16.3 million lower than budget, due to the timing of passage of legislation and recruitment process.
Grants paid	Grants paid are \$24.9 million lower than budget, mainly due to the timing of drawdowns and transactions reaching financial close.
Net proceeds from investments	Net proceeds from investments are \$90.9 million lower than budget, due to reduced investments and higher balance held as cash and cash equivalents.
Repayments of advances and loans	Repayment of advances and loans is \$16.7 million lower than budget, mainly due to the extension of maturity of a loan facility into FY2024–25.
Increase in loans and advances	Increase in loans and advances is \$66.2 million lower than budget, due to the timing of drawdowns and transactions reaching financial close compared to budget.
Equity injection	Equity injection is \$300.0 million higher than budget, due to \$300.0 million cash received in June 2024 as part of the additional \$1 billion for NHIF that was announced at MYEFO.

# Notes to and forming part of the financial statements continued

for the year ended 30 June 2024

## Note 6.3: Remuneration of external auditors

	2024 \$	2023 \$
<b>Auditor's remuneration</b>		
Amounts received or due and receivable by Housing Australia's auditors for:		
An audit or review of the annual report	<b>85,000</b>	85,000
<b>Total auditor's remuneration</b>	<b>85,000</b>	85,000

## Note 6.4: Current and non-current assets and liabilities

	2024 \$'000		2023 \$'000	
	No more than 12 months	More than 12 months	No more than 12 months	More than 12 months
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	1,320,666	–	291,442	–
Trade and other receivables	5,277	–	6,010	–
Prepayments	486	–	546	–
Other investments	612,300	–	643,273	–
Loans and advances	228,459	–	72,043	–
<b>Total current assets</b>	<b>2,167,188</b>	<b>–</b>	<b>1,013,314</b>	<b>–</b>
<b>Non-current assets</b>				
Property, plant, and equipment and intangible assets	–	12,992	–	195
Other investments	–	5,034	–	50,567
Loans and advances	–	2,608,602	–	2,047,790
<b>Total non-current assets</b>	<b>–</b>	<b>2,626,628</b>	<b>–</b>	<b>2,098,552</b>
<b>Total assets</b>	<b>2,167,188</b>	<b>2,626,628</b>	<b>1,013,314</b>	<b>2,098,552</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Suppliers	8,088	–	1,602	–
Other payables	28,483	–	9,866	–
Leases	518	–	–	–
Other interest-bearing liabilities	198,474	–	66,079	–
Employee leave and other entitlements	2,089	–	1,507	–
Other provisions	18,135	–	28,975	–
<b>Total current liabilities</b>	<b>255,787</b>	<b>–</b>	<b>108,029</b>	<b>–</b>
<b>Non-current liabilities</b>				
Leases	–	10,165	–	–
Other interest-bearing liabilities	–	2,674,964	–	2,168,636
Employee leave and other entitlements	–	1,680	–	1,174
<b>Total non-current liabilities</b>	<b>–</b>	<b>2,686,809</b>	<b>–</b>	<b>2,169,810</b>
<b>Total liabilities</b>	<b>255,787</b>	<b>2,686,809</b>	<b>108,029</b>	<b>2,169,810</b>



# Appendices



# Appendix A: Index of statutory reporting requirements

Housing Australia reports in accordance with the requirements of various Commonwealth Acts and statutory instruments as set out in the tables below.

## Part A: PGPA Act and PGPA Rule List of Requirements

Section	Subject	Location	Page
<i>Public Governance, Performance and Accountability Act 2013</i>			
<b>SECTION 39</b>	The Board must prepare annual performance statements and include a copy in the annual report.	Annual Performance Statement	19–54
<b>SECTION 42</b>	The Board must state in the annual financial statements whether, in the Board's opinion they comply with: a. accounting standards and other requirements prescribed by the rules b. present fairly the entity's financial position, financial performance and cash flows.	Financial statements	81
<b>SECTION 43</b>	A copy of the annual financial statements and the Auditor-General's report must be included in an annual report.	Financial statements	79–122
<b>SECTION 46</b>	The Board must prepare an annual report.	Annual Report 2023–24	All
<i>Public Governance, Performance and Accountability Rule 2014</i>			
<b>17BE</b>	Contents of annual report	Annual Report 2023–24	All
<b>17BE(a)</b>	Details of the legislation establishing the body.	Governance	72
<b>17BE(b)(i)</b>	A summary of the objects and functions of the entity as set out in legislation.	About Housing Australia	12–14
<b>17BE(b)(ii)</b>	The purpose of the entity as included in the entity's corporate plan for the reporting period.	About Housing Australia	12–14
<b>17BE(c)</b>	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers.	Governance	72
<b>17BE(d)</b>	Directions given to the entity by the Minister under an Act or instrument during the reporting period.	Governance	72
<b>17BE(e)</b>	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act.	Not applicable	–
<b>17BE(f)</b>	Particulars of non-compliance with: a. a direction given to the entity by the Minister under an Act or instrument during the reporting period, or b. a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act.	Governance	72
<b>17BE(g)</b>	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule.	Annual Performance Statement	19–54
<b>17BE(h), 17BE(i)</b>	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance.	There were no significant issues to report in the current reporting period.	–
<b>17BE(j)</b>	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period.	Governance	61–65
<b>17BE(k)</b>	Outline of the organisational structure of the entity (including any subsidiaries of the entity).	Our people	67

Section	Subject	Location	Page
<b>17BE(ka)</b>	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a. statistics on full-time employees b. statistics on part-time employees c. statistics on gender d. statistics on staff location.	Our people	68
<b>17BE(l)</b>	Outline of the location (whether or not in Australia) of major activities or facilities of the entity.	Appendix E	134
<b>17BE(m)</b>	Information relating to the main corporate governance practices used by the entity during the reporting period.	Governance	58–60
<b>17BE(n), 17BE(o)</b>	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): a. the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company c. the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions.	Not applicable	–
<b>17BE(p)</b>	Any significant activities and changes that affected the operation or structure of the entity during the reporting period.	Message from the Chair and CEO Governance	8–9 72
<b>17BE(q)</b>	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity.	Not applicable	–
<b>17BE(r)</b>	Particulars of any reports on the entity given by: a. the Auditor-General (other than a report under section 43 of the Act) b. a Parliamentary Committee c. the Commonwealth Ombudsman d. the Office of the Australian Information Commissioner.	Not applicable	–
<b>17BE(s)</b>	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report.	Not applicable	–
<b>17BE(t)</b>	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs).	Governance	66
<b>17BE(taa)</b>	The following information about the audit committee for the entity: a. a direct electronic address of the charter determining the functions of the audit committee b. the name of each member of the audit committee c. the qualifications, knowledge, skills or experience of each member of the audit committee d. information about each member's attendance at meetings of the audit committee e. the remuneration of each member of the audit committee.	Governance Governance Governance Governance Appendix D	60 66 61–65 66 131
<b>S.17BE(ta)</b>	Information about executive remuneration.	Appendix D	130–133

## Appendix A: Index of statutory reporting requirements *continued*

### Part B: Other legislation

Section	Subject	Location	Page
<i>Environment Protection and Biodiversity Conversation Act 1999</i>			
<b>SECTION 516A(6)</b>	Ecological sustainable development and environmental performance.	Appendix E	134
<i>Housing Australia Act 2018</i>			
<b>SECTION 56(a)</b>	The particulars of any changes to the Investment Mandate during the period and their impact on the operations of Housing Australia.	Governance	72
<b>SECTION 56(b)</b>	In relation to each kind of financial support (including financial support by Housing Australia during the period, a summary of the amount of that kind of financial support and the risks and returns to the Commonwealth.	Annual Performance Statement	19–54
<i>Work Health and Safety Act 2011</i>			
<b>SCHEDULE 2, PART 4, CLAUSE 4(2)</b>	Work health and safety initiatives, outcomes, statistics of any notifiable incidents and investigations or notices.	Appendix C	128
<i>Equal Employment Opportunity (Commonwealth Authorities) Act 1987</i>			
<b>SECTION 9</b>	Action taken to develop and implement equal employment opportunity program, assessment of objectives achieved and effectiveness of the program, and particulars of each Ministerial direction issued under Section 12.	Appendix B	127

# Appendix B: Equal Employment Opportunities report

## Introduction

Our Equal Employment Opportunities (EEO) report covers the period 2023–24.

We seek to reflect the diverse nature of the Australian community and are committed to developing and supporting positive working relationships, and a healthy and safe workplace. Our Diversity and Inclusion Policy sets out guidelines to help ensure our people are employed, trained and promoted fairly on merit, without discrimination and harassment.

## Flexible work arrangements

We offer flexible work arrangements including alternate work hours, part-time roles, remote working and the opportunity to purchase additional annual leave.

Our work practices and resources actively support flexibility for all our people to accommodate their personal circumstances, as well as on an ad-hoc basis, and include, for example, flexible start and finish times and remote working to help balance personal and work commitments.

Our people work from both the office and home under a hybrid model, with agreed team office-based days to increase connection and collaboration, both within teams and broadly throughout the organisation.

## Employee promotions

During the reporting period, eight employees were promoted. These promotions reflected gender balance and five people were from non-English speaking backgrounds.

## Paid parental leave

In 2023–24, our Paid Parental Leave policy provided 14 weeks of paid leave for employees taking parental leave as the primary caregiver. During the reporting period, four employees received paid parental leave as primary caregivers. Five employees received four weeks’ paid leave as secondary caregivers.

## Gender pay equity

We conduct a gender pay analysis at the time of our annual remuneration review to inform pay decisions and to monitor and mitigate any bias in decision-making. We also consider gender pay equity in relation to the remuneration for new appointments.

## Diversity profile

As at 30 June 2024, we had 138 employees of which 123 were permanent (ongoing). Our gender balance was 51 per cent woman/female and 49 per cent man/male employees.

The Executive team comprised six women and three men. The extended Leadership team, including the Executive team and business unit heads comprised 11 women and eight men.

We continue to align our people policies and processes to ensure gender parity, with a focus on identifying and removing any potential impediments to all aspects of diversity. We collect relevant data from our employees to help us track our progress in achieving a more diverse workforce and inform our business activities that support the rich diversity profile of our workforce. As data submission is voluntary, the information is not reflective of our entire workforce, however it is sufficient to provide us with a strong indication that our workforce is culturally diverse.

Table 16: Workforce diversity

	Man/Male	Woman/Female	Total employees	Non-English speaking background <sup>1</sup>	Aboriginal and Torres Strait Islander	People with disability
Leadership	8	11	19	3	1	–
Middle management <sup>2</sup>	20	12	32	13	–	2
Technical	35	31	66	43	–	–
Support	5	16	21	9	–	–
TOTAL	68	70	138	68	1	2

1. Non-English speaking background (or with parents who are from a non-English speaking background).  
2. Includes Senior Directors, Directors and Heads of Department.

Table 17: EEO comparison

EEO designated groups	30 June 2024		30 June 2023	
	Employees	%	Employees	%
Woman/female	70	51	35	44
Non-English speaking background	68	49	39	49
Aboriginal and Torres Strait Islander	1	1	1	1
People with disability	2	1	–	–

## Our cultural diversity

- 49 per cent of employees are from a non-English speaking background or have parents who are from a non-English speaking background
- 36 per cent of employees were born overseas, with 72 per cent from a non-English speaking country
- 26 per cent are bilingual or multilingual
- 30 different ancestries are represented
- one employee identifies as being of Aboriginal or Torres Strait Islander background
- two employees have disclosed a disability
- the average age of our workforce is 42 years.



# Appendix C: Work health and safety

We are committed to providing a positive and safe work environment for all our people, in line with our obligations under work health and safety legislation including the *Work Health and Safety Act 2011* (WHS Act).

## Work Health and Safety Committee

Our Work Health and Safety (WHS) Committee includes employee and management representatives. This committee supports our Board and officers to meet their work health and safety obligations and provides an important forum to ensure our employees' workplace is safe. It focuses on promoting employee wellbeing and mental health, work health and safety awareness and support in a hybrid working environment.

The WHS Committee met quarterly in 2023–24 to discuss employee wellbeing and review WHS-related policies and the findings of regular workplace inspections by our Health and Safety Representative. It established plans to address any material issues and monitored ongoing risks.

## Risk management

We take a pragmatic, risk-based approach to maintaining our WHS compliance framework and management practices. This is backed by a strong culture of incident notification and investigation, which includes reporting any accidents or near misses.

To support this approach, we provide:

- a work health and safety overview to all new employees
- training on safe workplace behaviour as part of our annual compliance program
- regular training for first aid officers, mental health first aid officers and fire wardens
- additional training for officers and key employees (including the WHS Committee) to increase awareness of legislative requirements and best practice.

In 2023–24, we reviewed our Health and Safety Management Arrangements which set out our work health and safety management framework.

## Health and wellbeing

The health and wellbeing of our employees remains a priority for Housing Australia.

We offer professional counselling and support for employees and their immediate families through our Employee Assistance Program. We also invest in a range of strategies to support personal wellbeing, including regular wellness-related training and support, guest speakers on resilience, promotion of mental health-related events such as RU OK? Day and our annual flu vaccination program. We also provide salary continuance cover for eligible employees.

We build and maintain cross-functional connections through fortnightly 'all staff' meetings and quarterly staff update sessions, as well as regular team meetings.

We work closely with employees to provide individual flexible working arrangements to accommodate their personal circumstances while supporting their health and wellbeing. We have a hybrid-working model, combining working in the office and working from home subject to operational requirements.

## Notifiable incidents and investigations

Housing Australia records and monitors hazards and controls. In 2023–24, we did not receive any notices and were not investigated for WHS matters. There were no notifiable incidents or near misses under the WHS Act.

In March 2024, Comcare carried out a proactive WHS inspection of our Sydney office as part of its regional engagement program. The purpose of the inspection was to monitor compliance with the WHS Act and WHS Regulations, specifically our incident management systems and notification process. Comcare did not identify any non-compliance and found that we have systems in place, so far as is reasonably practicable, to identify, review, control and manage incidents that occur at the workplace. One recommendation was made which has since been implemented.

# Appendix D: Key management remuneration

## Key management remuneration

During the year ending 30 June 2024, Housing Australia had 10 Board members and two senior executives who met the definition of KMP. Their names and length of term as KMP are summarised in Table 18.

**Table 18: Key management personnel (KMP) as at 30 June 2024**

Name	Title	2023–24 status	KMP status
Carol Austin	Board member (Chair)	Full year	Current
Cathie Armour	Board member	Part year	Current
Tony De Domenico OAM	Board member	Part year	Former
Teresa Dyson	Board member	Part year	Former
Jane Hewitt	Board member	Full year	Current
Matina Papathanasiou	Board member	Part year	Current
Mary Ploughman	Board member	Part year	Current
Nigel Ray PSM	Board member	Full year	Current
Kelvin Ryan	Board member	Full year	Current
Hon Richard Wynne	Board member	Full year	Current
Nathan Dal Bon	Chief Executive Officer	Full year	Current
Stuart Neilson	Chief Financial Officer & Chief Operating Officer	Full year	Current

The following changes were made in KMP during the year:

- Teresa Dyson ceased to be a KMP on 25 October 2023.
- Cathie Armour was appointed as a KMP on 26 October 2023.
- Matina Papathanasiou was appointed as a KMP on 30 November 2023.
- Mary Ploughman was appointed as a KMP on 30 November 2023.
- Tony De Domenico OAM ceased to be a KMP on 9 April 2024.
- Jane Hewitt's appointment as a KMP was extended to 31 August 2024.

## Remuneration strategy

Our remuneration strategy supports our strategic objectives while remaining aligned to market practice and in the interests of our key stakeholders.

Our recruitment approach is designed to attract and retain the right people, with the necessary skills and expertise to deliver the objectives and targets set out in our corporate plan. We have a high-performance culture that recognises highly capable employees and complies with Australian Government policies for its statutory agencies.

To support our approach, we:

- conduct annual reviews of our remuneration framework, including performance measures, to ensure alignment with our evolving mandate and corporate objectives
- consider market remuneration practices
- ensure performance gateways are achieved by individuals before any remuneration increases are applied.

## 2023–24 remuneration structure

### Board remuneration

All Board members of Housing Australia are appointed by the Australian Government through the Minister. The Board is established and governed by the provisions of the Housing Australia Act.

Fees for Board members are set and paid according to the determinations of the Australian Government Remuneration Tribunal (the Tribunal), an independent statutory authority overseeing the remuneration of key Commonwealth offices. Housing Australia is required to comply with the Tribunal's determinations and plays no role in the consideration or determination of Board member fees.

The Tribunal sets annual Chair and Board fees (exclusive of statutory superannuation contributions).

The Chair's fee includes all activities undertaken by the Chair on behalf of Housing Australia (inclusive of committee participation), however additional fees are payable to the Board members appointed to the ARC.

Statutory superannuation is paid in addition to the fees set by the Tribunal.

### Executive remuneration

Housing Australia's remuneration structure is designed to be competitive and reward high-performing senior executives and staff, while complying with all our regulatory obligations.

For senior executives and highly paid employees, their expertise, relevant government policies and industry benchmarks influence the setting of their Fixed Annual Remuneration (FAR). As a public financial corporation, Housing Australia works within the parameters of the Australian Government's Public Sector Workplace Relations Policy 2023 to the extent practicable, commensurate with our commercial and competitive circumstances.

## Appendix D: Key management remuneration continued

Factors considered when setting the appropriate FAR for senior executives and staff include market data for comparable roles, complexity of the role, internal relativities, an individual's skills and experience, and individual performance assessments.

Housing Australia uses current Financial Institutions Remuneration Group data and relevant Government information to provide independent benchmarking in determining appropriate remuneration for roles across the organisation.

We benchmark remuneration with the aim to position remuneration competitively against comparable organisations. The guiding principle for remuneration benchmarking is to position remuneration towards the mid-point of the benchmark for comparable roles in the Australian market, while working within the parameters set by the Australian Public Service Commission.

The FAR for Housing Australia's CEO is determined by the Tribunal and the role is classified as a full-time public office holder. The FAR includes base salary, allowances, superannuation contributions and any non-cash benefits. The CEO also accrues long service leave and does not receive a discretionary bonus.

### Remuneration governance arrangements

#### Management

Management is accountable for ensuring it rewards employees responsibly, with regard to the performance of Housing Australia, individual performance, statutory and regulatory requirements, and current business norms.

For Executive remuneration decisions:

- the CEO makes FAR recommendations for new senior executives, which are endorsed by the Board
- senior executives make FAR recommendations for employees within their business areas, including other highly paid employees, which are endorsed by the CEO
- Housing Australia has appropriate and robust performance management and remuneration policies and practices in place.

#### Board

The Board is responsible for ensuring Housing Australia has appropriate policies and practices that fairly and responsibly manage the performance and remuneration arrangements for the CEO and senior executives. The Board achieves this by:

- monitoring management's performance against our annual corporate plan
- assessing the performance of the CEO
- providing guidance to the CEO on matters concerning the appointment and evaluation of senior executives.

### Financial remuneration information

In accordance with the PGPA Rule 2014, the following tables contain summary data of the remuneration received by KMP (Table 19), senior executives (Table 20) and other highly paid employees (Table 21) in 2023–24. Other highly paid employees are employees who are neither KMP nor senior executives and whose total remuneration exceeds the \$250,000 to \$270,000 threshold for this reporting period.

Table 19: Remuneration of key management personnel for the reporting period 2023–24

Name	Position title	Short-term benefits			Post-employment benefits			Other long-term benefits			Termination benefits	Total remuneration
		Salary	Annual leave adjustment	Base salary	Bonuses	allowances	Other benefits and	Superannuation contributions	Long service leave	Other long-term benefits		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Carol Austin	Chair	118,470	–	118,470	–	–	–	13,032	–	–	–	131,502
Cathie Armour	Board	46,778	–	46,778	–	–	–	5,146	–	–	–	51,924
Tony De Domenico OAM	Board	52,807	–	52,807	–	–	–	5,809	–	–	–	58,616
Teresa Dyson	Board	22,657	–	22,657	–	–	–	2,492	–	–	–	25,149
Jane Hewitt	Board	76,690	–	76,690	–	–	–	8,436	–	–	–	85,126
Matina Papathanasiou	Board	34,785	–	34,785	–	–	–	3,826	–	–	–	38,611
Mary Ploughman	Board	34,785	–	34,785	–	–	–	3,826	–	–	–	38,611
Nigel Ray PSM	Board	63,974	–	63,974	–	–	–	7,037	–	–	–	71,011
Kelvin Ryan	Board	59,240	–	59,240	–	–	–	6,516	–	–	–	65,756
Hon Richard Wynne	Board	59,240	–	59,240	–	–	–	6,516	–	–	–	65,756
Nathan Dal Bon	CEO	474,065	32,820	506,885	–	–	–	68,579	11,889	–	–	587,353
Stuart Neilson	CFO/COO	465,413	12,907	478,320	–	–	–	51,256	11,764	–	–	541,340
<b>SUBTOTAL</b>				<b>1,554,631</b>	–	–	–	<b>182,471</b>	<b>23,653</b>	–	–	<b>1,760,755</b>

## Appendix D: Key management remuneration *continued*

Table 20: Remuneration of senior executives for the reporting period 2023–24

Remuneration band	Number of senior executives	Short-term benefits			Post-employment benefits		Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average variable remuneration	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
\$0 – \$220,000	2	73,708	–	–	7,380	1,952	–	–	–	83,040
\$220,001 – \$245,000	1	201,572	–	–	29,570	4,906	–	–	–	236,048
\$395,001 – \$420,000	2	351,021	–	–	38,098	8,750	–	–	–	397,869
\$420,001 – \$445,000	1	377,110	–	–	42,888	9,882	–	–	–	429,880
\$470,001 – \$495,000	1	417,373	–	–	46,131	10,588	–	–	–	474,092
\$495,001 – \$520,000	1	470,664	–	–	28,523	11,650	–	–	–	510,837
	8									

Table 21: Remuneration of other highly paid employees for the reporting period 2023–24

Remuneration band	Number of other highly paid staff	Short-term benefits			Post-employment benefits			Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average variable remuneration	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
\$250,000 – \$270,000	7	225,783	–	–	24,148	5,991	–	–	–	–	255,922
\$270,001 – \$295,000	5	243,834	–	–	25,782	5,815	–	–	–	–	275,431
\$295,001 – \$320,000	5	265,751	–	–	29,766	6,798	–	–	–	–	302,315
\$320,001 – \$345,000	7	292,492	–	–	34,211	7,251	–	–	–	–	333,954
\$345,001 – \$370,000	1	297,700	–	–	55,978	7,673	–	–	–	–	361,351
\$370,001 – \$395,000	2	333,716	–	–	36,405	8,333	–	–	–	–	378,454
\$395,001 – \$420,000	2	355,538	–	–	48,062	8,633	–	–	–	–	412,233
	<b>29</b>										



# Appendix E: Environmental reporting

## Ecologically sustainable development

As an issuer of social and sustainability bonds, Housing Australia has a Sustainability Bond Framework which outlines how its projects map to the UN Sustainable Development Goals. Housing Australia's Sustainability Bond Framework aligns with guidance from the International Capital Market Association (ICMA).

Housing Australia has issued two sustainability bonds. For more information see Housing Australia's Social Bond Report on our website: [www.housingaustralia.gov.au/reports-and-publications](http://www.housingaustralia.gov.au/reports-and-publications).

Housing Australia has a Sustainability Management Committee which provides strategic direction regarding sustainability and ESG. This committee reports to the ARC and the Board.

As a corporate Commonwealth entity, Housing Australia is required to report on its greenhouse gas emissions.

In 2023–24, Housing Australia operated from three locations: a head office at Export House in Sydney NSW, where Housing Australia has an SLA with Export Finance Australia; and serviced office space in Canberra and Melbourne.

Housing Australia employees flew around 450,680 kilometres during 2023–24. For more information on our greenhouse gas emissions refer to Tables 22 and 23.

**Table 22: Greenhouse gas emissions inventory – location-based method 2023–24**

Emission Source	Scope 1 t CO <sub>2</sub> -e	Scope 2 t CO <sub>2</sub> -e	Scope 3 t CO <sub>2</sub> -e	Total t CO <sub>2</sub> -e
Electricity (Location Based Approach)	N/A	33.608	2.682	36.290
Domestic Commercial Flights	N/A	N/A	68.848	68.848
Domestic Travel Accommodation*	N/A	N/A	11.084	11.084
<b>Total t CO<sub>2</sub>-e</b>	<b>0.000</b>	<b>33.608</b>	<b>82.613</b>	<b>116.221</b>

Notes to table:

- The table above presents emissions related to electricity usage using the location-based accounting method. CO<sub>2</sub>-e = Carbon Dioxide Equivalent.
- Total emissions reported in Housing Australia's Annual Report 2022–23 have been revised from 81,146 kg CO<sub>2</sub>-e to 72,998 kg CO<sub>2</sub>-e.
- Not all waste data was available at the time of the report and amendments to data may be required in future reports. The quality of data is expected to improve over time as emissions reporting matures.
- Hire car data was not collected for the reporting period and updates to data may be required in future reports. Data management systems will be established to collect the data in future reporting periods.
- Location-based method: The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location method does not allow for any claims of renewable electricity from grid-imported electricity usage.

**Table 23: Electricity greenhouse gas emissions 2023–24**

Emission Source	Scope 2 t CO <sub>2</sub> -e	Scope 3 t CO <sub>2</sub> -e	Total t CO <sub>2</sub> -e	Percentage of electricity use
Electricity (Location Based Approach)	33.608	2.682	36.290	100.00%
Market-based electricity emissions	32.693	4.036	36.729	81.28%
Total renewable electricity	—	—	—	18.72%
<i>Mandatory renewables<sup>1</sup></i>	—	—	—	18.72%
<i>Voluntary renewables<sup>2</sup></i>	—	—	—	0.00%

Notes to table:

- The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO<sub>2</sub>-e = Carbon Dioxide Equivalent.
- Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

## Good Corporate Citizenship Policy

Housing Australia's Good Corporate Citizenship Policy is consistent with the Australian Government's expectations outlined in the Investment Mandate. Section 31 of the Investment Mandate requires Housing Australia to have regard to Australian best-practice governance principles and the Australian best-practice corporate governance for commercial financiers when performing its functions, including developing and annually reviewing policies regarding ESG issues.

## Modern slavery

Housing Australia's Modern Slavery Statement sets out Housing Australia's approach to modern slavery and how it identifies and mitigates this risk from occurring within Housing Australia's business operations, supply chain and customer relationships.

For further details regarding Housing Australia's approach to modern slavery, refer to the Modern Slavery Statement published on our website: [www.housingaustralia.gov.au/reports-and-publications](http://www.housingaustralia.gov.au/reports-and-publications).

# Appendix F: Abbreviations and acronyms

Term	Description
<b>ABS</b>	Australian Bureau of Statistics
<b>ACGB</b>	Australian Commonwealth Government Benchmark
<b>ADF</b>	Australian Defence Force
<b>ADIs</b>	Authorised deposit-taking institutions
<b>AHBA</b>	Affordable Housing Bond Aggregator
<b>AML/CTF</b>	Anti-Money Laundering/Counter Terrorism Financing
<b>ANAO</b>	Australian National Audit Office
<b>APRA</b>	Australian Prudential Regulatory Authority
<b>ARC</b>	Audit and Risk Committee
<b>ART</b>	Australian Retirement Trust
<b>AUSTRAC</b>	Australian Transaction Reports and Analysis Centre
<b>BHC</b>	Brisbane Housing Company
<b>CBA</b>	Commonwealth Bank of Australia
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CGS</b>	Commonwealth Government Security
<b>Chair</b>	Chair of Housing Australia Board
<b>CHIA</b>	Community Housing Industry Association
<b>CHL</b>	Community Housing (Vic) Limited
<b>CHP</b>	Community housing provider
<b>COO</b>	Chief Operating Officer
<b>EAD</b>	Exposure at default
<b>EBITDA</b>	Earnings before interest, taxes, depreciation, and amortisation
<b>ECL</b>	Expected credit loss
<b>EEO</b>	Equal employment opportunity
<b>EPBC Act</b>	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
<b>ESG</b>	Environmental, social and governance
<b>Executive</b>	Members of the executive leadership team of Housing Australia
<b>FAR</b>	Fixed annual remuneration
<b>FBT</b>	Fringe Benefits Tax
<b>FHBG</b>	First Home Guarantee
<b>FHG</b>	Family Home Guarantee
<b>FIRG</b>	Financial Institutions Remunerations Group
<b>FTE</b>	Full-time equivalent
<b>FVOCI</b>	Fair value through other comprehensive income
<b>FVTPL</b>	Fair value through profit or loss
<b>GGS</b>	General government sector

## Appendix F: Abbreviations and acronyms *continued*

<b>GLM</b>	Ground lease model
<b>GST</b>	Goods and Services Tax
<b>HAFFF</b>	Housing Australia Future Fund Facility
<b>HGS</b>	Home Guarantee Scheme
<b>HIF</b>	Housing Investment Fund
<b>ICMA</b>	International Capital Market Association
<b>ICR</b>	Interest cover ratio
<b>Investment Mandate</b>	Housing Australia Investment Mandate Direction 2018
<b>KMP</b>	Key management personnel
<b>KYC</b>	Know your customer
<b>LGD</b>	Loss given default
<b>LVR</b>	Loan to value ratio
<b>Minister</b>	Responsible Minister, the Minister for Housing, Minister for Homelessness and Minister for Small Business
<b>NATSIHA</b>	National Aboriginal and Torres Strait Islander Housing Association
<b>NHAF</b>	National Housing Accord Facility
<b>NHFIC</b>	National Housing Finance and Investment Corporation
<b>NHG</b>	New Home Guarantee
<b>NHIF</b>	National Housing Infrastructure Facility
<b>NSW</b>	New South Wales
<b>OAM</b>	Medal of the Order of Australia
<b>PD</b>	Probability of default
<b>PFC</b>	Public financial corporation
<b>PGPA Act</b>	<i>Public Governance, Performance and Accountability Act 2013</i>
<b>PGPA Rule</b>	Public Governance, Performance and Accountability Rule 2014
<b>PID Act</b>	<i>Public Interest Disclosure Act 2013</i>
<b>PSM</b>	Public Service Medal
<b>RAP</b>	Reconciliation Action Plan
<b>RFHBG</b>	Regional First Home Buyer Guarantee
<b>SIGMAH</b>	Social Infrastructure and Green Measures for Affordable Housing
<b>SLA</b>	Service level agreement
<b>SOE</b>	Statement of Expectations
<b>SOI</b>	Statement of Intent
<b>SPPI</b>	Solely payments of principal and interest
<b>TREASURY</b>	Department of the Treasury
<b>Tribunal</b>	Australian Government Remuneration Tribunal
<b>UDIA</b>	Urban Development Institute of Australia
<b>WHS</b>	Work health and safety
<b>WHS Act</b>	<i>Work Health and Safety Act 2011</i>

