



Housing Australia Investment Mandate Amendment (2024 Measures No. 1) Direction 2024

I, Julie Collins, Minister for Housing, Minister for Homelessness and Minister for Small Business, make the following direction.

Dated 4 July 2024

Julie Collins
Minister for Housing
Minister for Homelessness
Minister for Small Business

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1 Name

This instrument is the *Housing Australia Investment Mandate Amendment (2024 Measures No. 1) Direction 2024*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The later of: (a) 1 July 2024; and (b) the day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Housing Australia Act 2018*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Housing Australia Investment Mandate Direction 2018

1 Section 4

Insert:

HAFFF availability payment—see subsection 28N(4).

HAFFF upfront grant—see subsection 28N(4).

index number—see section 4B.

2 After section 4A

Insert:

4B Meaning of index number

- (1) The *index number* for a quarter is the All Groups Consumer Price Index number (being the weighted average of the 8 capital cities) published by the Australian Statistician in respect of that quarter.
- (2) Subject to subsection (3), if, at any time before or after the commencement of this instrument:
 - (a) the Australian Statistician has published or publishes an index number in respect of a quarter; and
 - (b) that index number is in substitution for an index number previously published by the Australian Statistician in respect of that quarter;disregard the publication of the later index number for the purposes of this section.
- (3) If, at any time before or after the commencement of this instrument, the Australian Statistician has changed or changes the index reference period for the Consumer Price Index, then, for the purposes of applying this section after the change took place or takes place, have regard only to index numbers published in terms of the new index reference period.

3 Subsection 11(2)

Omit “\$1 billion”, substitute “\$4 billion”.

4 Subsection 15(1)

Omit “\$175 million”, substitute “\$176.5 million”.

5 Subsection 15(2)

Omit “\$1.5 million”, substitute “\$3 million”.

6 Paragraph 28H(3)(b)

After “rates”, insert “(including no interest)”.

7 Subsection 28K

Omit “(1)”.

8 Subsections 28K(2) and (3)

Repeal the subsections.

9 Section 28N

Repeal the section, substitute:

28N Limits on making loans and grants for the purposes of this Part

- (1) For the purposes of subparagraph 13(c)(i) of the Act, this section specifies limits on making loans and grants under the HAFFF.

Note: It is intended that the monetary limits specified in this section will be increased from time to time.

Limits on loans

- (2) A loan made under the HAFFF must:
- (a) be a no interest loan to finance a HAFFF project that increases available social or affordable housing, or both; and
 - (b) be made on or after 1 July 2024 and before 1 July 2029; and
 - (c) be made only to a project proponent mentioned in paragraph 28F(1)(f), (g), (h) or (i).
- (3) The sum of all loans made under the HAFFF during the period specified in paragraph (2)(b) must not exceed \$1.531 billion.

Limits on grants

- (4) A grant made under the HAFFF must be either:
- (a) a recurring grant made over a period of 25 years to finance a HAFFF project that increases available social or affordable housing, or both (a **HAFFF availability payment**); or
 - (b) a one-off grant to finance a HAFFF project that increases available social housing (a **HAFFF upfront grant**).
- (5) The annual limit for the sum of all HAFFF availability payments is:
- (a) for the 2024-25 financial year and each later financial year until the end of the 2028-29 financial year—\$288 million; and
 - (b) for the 2029-30 financial year and each later financial year—\$288 million (as indexed annually in accordance with section 28NA).
- (6) The annual limit for the sum of all HAFFF upfront grants is:
- (a) for the 2024-25 financial year—\$388 million; and
 - (b) for each financial year after the 2024-25 financial year—\$0.

28NA Indexing relevant amounts

- (1) The amount mentioned in paragraph 28N(5)(b) is to be indexed on the first day of each financial year, starting on 1 July 2029, by multiplying it by its indexation factor for 1 June in the preceding financial year.

- (2) The indexation factor for 1 June in a financial year is the number worked out as follows:

Method statement

Step 1. Add:

- (a) the index number for the quarter ending on 31 March in that financial year; and
- (b) the index numbers for the 3 quarters that immediately preceded that quarter.

Step 2. Add:

- (a) the index number for the quarter ending on 31 March in the immediately preceding financial year; and
- (b) the index numbers for the 3 quarters that immediately preceded that quarter.

Step 3. The ***indexation factor*** for 1 June in the financial year is the amount under step 1 divided by the amount under step 2.

- (3) The indexation factor is to be worked out to 3 decimal places, rounding up if the fourth decimal place is 5 or more.
- (4) The amount mentioned in paragraph 28N(5)(b), after indexation, must be rounded to the nearest whole dollar, and, if the amount to be rounded is 50 cents, rounded down.

10 Paragraph 28V(3)(b)

After “rates”, insert “(including no interest)”.

11 Subsection 28X

Omit “(1)”.

12 Subsections 28X(2) and (3)

Repeal the subsections.

13 Section 28ZA

Repeal the section, substitute:

28ZA Limit on making loans and grants for the purposes of this Part

- (1) For the purposes of subparagraph 13(c)(i) of the Act, this section sets out limits on making loans and grants under the NHAF.

Note: It is intended that the monetary limits specified in this section will be increased from time to time.

Limits on loans

- (2) A loan made under the NHAF must:
- (a) be a no interest loan to finance a NHAF project that increases available affordable housing; and
 - (b) be made on or after 1 July 2024 and before 1 July 2029; and
 - (c) be made only to a project proponent mentioned in paragraph 28T(1)(f), (g), (h) or (i).
- (3) The sum of all loans made under the NHAF during the period specified in paragraph (2)(b) must not exceed \$383 million.

Limits on grants

- (4) A grant made under the NHAF must be a recurring grant made over a period of 25 years to finance a NHAF project that increases available affordable housing.
- (5) The annual limit for the sum of all grants made under the NHAF is:
- (a) for the 2024-25 financial year and each later financial year until the end of the 2028-29 financial year—\$72 million; and
 - (b) for the 2029-30 financial year and each later financial year—\$72 million (as indexed annually in accordance with section 28ZAA).

28ZAA Indexing relevant amounts

- (1) The amount mentioned in paragraph 28ZA(5)(b) is to be indexed on the first day of each financial year, starting on 1 July 2029, by multiplying it by its indexation factor for 1 June in the preceding financial year.
- (2) The indexation factor for 1 June in a financial year is the number worked out as follows:

Method statement

Step 1. Add:

- (a) the index number for the quarter ending on 31 March in that financial year; and
- (b) the index numbers for the 3 quarters that immediately preceded that quarter.

Step 2. Add:

- (a) the index number for the quarter ending on 31 March in the immediately preceding financial year; and
- (b) the index numbers for the 3 quarters that immediately preceded that quarter.

Step 3. The ***indexation factor*** for 1 June in the financial year is the amount under step 1 divided by the amount under step 2.

- (3) The indexation factor is to be worked out to 3 decimal places, rounding up if the fourth decimal place is 5 or more.
- (4) The amount mentioned in paragraph 28ZA(5)(b), after indexation, must be rounded to the nearest whole dollar, and, if the amount to be rounded is 50 cents, rounded down.

14 Section 34 (heading)

Omit “\$7.5 billion”, substitute “\$10 billion”.

15 Subsection 34(1)

Omit “the cap”, substitute “\$10 billion”.

16 Subsection 34(2) (definition of cap)

Repeal the definition.