

NATIONAL PARTNERSHIP AGREEMENT ON SOCIAL HOUSING

Council of
Australian
Governments

An agreement between

- the **Commonwealth of Australia** and
- the **States and Territories**, being:
 - ◆ the State of New South Wales;
 - ◆ the State of Victoria;
 - ◆ the State of Queensland;
 - ◆ the State of Western Australia;
 - ◆ the State of South Australia;
 - ◆ the State of Tasmania;
 - ◆ the Australian Capital Territory; and
 - ◆ the Northern Territory of Australia.

This Agreement facilitates the establishment of a 'Social Housing Growth Fund' that will support reforms to increase the supply of social housing.

National Partnership Agreement on Social Housing

NATIONAL AFFORDABLE HOUSING AGREEMENT

PRELIMINARIES

1. This agreement is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* and should be read in conjunction with that Agreement and subsidiary schedules. In particular, the schedules include direction in respect of performance reporting and payment arrangements.
2. The Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage. That commitment is embodied in the objectives and outcomes of this agreement. However, the Parties have also agreed other objectives and outcomes – for example, in the National Indigenous Reform Agreement – which the Parties will pursue through the broadest possible spectrum of government action. Consequently, this agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships entered into by the Parties.
3. This National Partnership Agreement has been established to facilitate the implementation of a 'Social Housing Growth Fund'. This fund will provide capital funding to support a range of projects to increase the supply of social housing in the short term and enable more disadvantaged households to access safe and secure housing that meets their needs. Through this increase in supply, enhanced assistance to help persons who are homeless or at risk of homelessness to transition to longer term accommodation and improved housing opportunities for Indigenous Australians will also be achieved.
4. The primary aim of the 'Social Housing Growth Fund' is to increase the supply of social housing through new construction, and contribute to reduced homelessness, and improved outcomes for homeless and Indigenous Australians.
5. Proposals for the 'Social Housing Growth Fund' will be considered only if they result in new social housing dwellings in a particular jurisdiction and meet the key priorities for funding that are outlined in this Agreement. All projects funded through this Agreement must be completed and ready for occupation within two years of funding being allocated.
6. Funding will be offered to States and Territories on a per capita basis. States and Territories will need to lodge proposals with the Commonwealth that meet the requirements outlined in paragraphs 29 and 30 of this Agreement. Further details will be provided in an Implementation Plan.
7. As part of this Agreement, the Parties will commit to consideration of further reforms with a report to COAG by the end of 2009:

- (a) to address supply shortfalls including through identifying areas of housing need based on work of the National Housing Supply Council, through City Wide Planning Authorities and/or State planning mechanisms; and
 - (b) possible payment of Commonwealth funding assistance for social housing through means such as Commonwealth Rent Assistance.
8. Funding will only be available to States and Territories that are parties to the National Partnership Agreement on Homelessness.

PART 1 – FORMALITIES

Parties to this Agreement

9. In entering this Agreement, the Commonwealth and the States and Territories recognise that they have a mutual interest in increasing the supply of social housing to provide improved housing, social inclusion and economic participation outcomes for disadvantaged households.

Term of the Agreement

10. This Agreement will commence on 1 January 2009 subject to the Commonwealth and one other Party signing the Agreement.
11. The Agreement will expire on 30 June 2010.

Delegations

12. The Minister for Families, Housing, Community Services and Indigenous Affairs or the Minister for Housing is authorised to agree the Implementation Plans on behalf of the Commonwealth and certify the payments to be made to the States and Territories for proposals that are approved for funding.
13. State and Territory Housing Ministers are authorised to agree the Implementation Plan on behalf of their State or Territory.

PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

Objectives

14. This Agreement contributes to the overarching Objective of the National Affordable Housing Agreement:
“All Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation”.
15. The specific objectives of this Agreement are as follows:
 - (a) to increase the supply of social housing through new construction;
 - (b) to provide increased opportunities for persons who are homeless or at risk of homelessness to gain secure long term accommodation; and
 - (c) to develop options for reform that will:

- (i) address supply shortfalls including through identifying areas of housing need based on work of the National Housing Supply Council, through City Wide Planning Authorities and/or State planning mechanisms; and
- (ii) propose possible payment of Commonwealth funding assistance for social housing through means such as Commonwealth Rent Assistance.

Outcomes

16. This Agreement will contribute to the following outcomes:
- (a) people are able to rent housing that meets their needs;
 - (b) people who are homeless or at risk of homelessness achieve sustainable housing and social inclusion; and
 - (c) Indigenous people have improved housing amenity and reduced overcrowding.

Outputs

17. This Agreement will support the achievement of the agreed objective and outcomes through a range of outputs. These include:
- (a) additional social housing dwellings achieved through new construction;
 - (b) improved housing opportunities for Indigenous people;
 - (c) accommodation options to assist persons who are homeless or at risk of homelessness to transition to secure long term accommodation;
 - (d) Options Paper for a 'Commonwealth Housing Funding Assistance Options Paper'; and
 - (e) Options Paper to address anticipated supply shortfalls.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

18. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

Role of the Commonwealth

19. The Commonwealth will have responsibility for assessing proposals and determining the projects that will be granted Commonwealth funding.
20. The Commonwealth will be responsible for allocating the total agreed level of Commonwealth funds to the States and Territories for each social housing project that is approved for funding under this Agreement.

Role of the States and Territories

21. The States and Territories will be responsible for submitting proposals to the Commonwealth within the timeframes specified within this Agreement and their respective Implementation Plan.
22. The States and Territories will be responsible for allocating the total agreed level of funds for each social housing project that is approved for funding under this Agreement.

23. The States and Territories will either own or regulate all projects funded through this Agreement and will be responsible for overseeing and monitoring each project within their jurisdiction.

Shared Responsibilities

24. All parties to this Agreement will be jointly responsible for establishing the 'Social Housing Growth Fund' including the development of the Implementation Plan that will be negotiated in accordance with paragraphs 26 to 30 of this Agreement.
25. All parties will be responsible for working on reforms.

PART 4 – IMPLEMENTATION

26. All parties to this Agreement will negotiate and develop an Implementation Plan which will include, but is not limited to, the following matters:
 - (a) financial arrangements for the fund;
 - (b) the process by which States and Territories will submit proposals for funding;
 - (c) the process to be followed by the Commonwealth in considering and approving projects; and
 - (d) requirements for reports provided under this Agreement.
27. Proposals for funding under the 'Social Housing Growth Fund' must have the following key requirements:
 - (a) involve the construction of new social housing dwellings;
 - (b) add to the supply of social housing dwellings within a jurisdiction;
 - (c) all projects funded through this Agreement must be completed and ready for occupation within two years of funding being allocated; and
 - (d) provide an appropriate response to an area of unmet need for social housing within the jurisdiction.
28. In addition to the key requirements in paragraph 27, proposals for funding under the 'Social Housing Growth Fund' should also meet one or more of the following criteria:
 - (a) projects that facilitate or support the transition of persons who are homeless or at risk of homelessness to secure, long term accommodation;
 - (b) projects that adhere to universal design principles that facilitate better access for persons with disability and older persons;
 - (c) projects that target improved housing opportunities for Indigenous Australians;
 - (d) projects that support the growth of the not-for-profit sector; and
 - (e) projects that offer new and innovative approaches that will support a more effective and efficient provision of social housing.

29. States and Territories will submit proposals to the Commonwealth for 2008-09 funding at any time between the signing of the Agreement and 2 March 2009, and for 2009-10 funding at any time between the signing of the Agreement and 15 May 2009. Jurisdictions may submit for consideration proposals that exceed that jurisdiction's per capita share.
30. When determining which proposals will be funded under this Agreement, the Commonwealth may also take into account the broader housing needs and circumstances in individual jurisdictions.

PART 5 – REPORTING

31. Reporting requirements under this National Partnership should be read in conjunction with the provisions in Schedule C to the *Intergovernmental Agreement on Federal Financial Relations*.
32. Each State and Territory will provide a report to the Commonwealth every six months detailing the status and progress of each social housing project within their jurisdiction.

PART 6 – FINANCIAL ARRANGEMENTS

Funding

33. This Agreement will be based on facilitation payments.
34. The maximum amount of funding available under this Agreement is:
 - (a) 2008-09 — \$200 million; and
 - (b) 2009-10 — \$200 million.
35. Funding allocated under this Agreement may only be used to meet capital costs. Funding may not be used for ongoing or administration costs.
36. The Commonwealth will offer \$200 million in each of 2008-09 and 2009-10 to the States and Territories on a national per capita distribution basis. Each jurisdiction will receive the amount determined subject to that jurisdiction submitting proposals to the Commonwealth that:
 - (a) demonstrate how the funding will be expended within the agreed timeframe;
 - (b) comply with the requirements outlined in paragraph 27; and
 - (c) address one or more of the funding criteria outlined in paragraph 28.
37. Funds committed by the States and Territories through the 'Social Housing Growth Fund' must be allocated to the projects within their jurisdiction as outlined in the bilateral Agreement.
38. If the notional allocation of funds is not supported by suitable applications, the Commonwealth may re-allocate funds to other jurisdictions.

Bilateral Agreements

39. The Commonwealth and each other party to this Agreement will enter into a bilateral Agreement prior to the first allocation of Commonwealth funding under the Agreement. The bilateral Agreement will detail projects for which funding has been approved, the expected construction and development timeline and the key deliverables and milestones.

40. The bilateral Agreement will be amended as necessary to update project details or to include the details of any newly funded projects.

Payment Schedule

41. The Commonwealth will make payments to the States and Territories according to the agreed payment schedule included in each jurisdiction's project proposal.

Expenditure of funds

42. At the completion of this Agreement, each State and Territory is required to provide the Commonwealth with a report (in accordance with the requirements set out in Implementation Plans) detailing any Commonwealth funding allocated under this Agreement that has not been spent or committed to be spent as at the last day of this Agreement. The Commonwealth may elect to recover parts of this funding in accordance with the process outlined in the Implementation Plan.

PART 7 – GOVERNANCE ARRANGEMENTS

Dispute resolution

43. Any Party may give notice to other Parties of a dispute under this Agreement.
44. The relevant delegates will attempt to resolve any dispute in the first instance.
45. If a dispute cannot be resolved between the relevant delegates, it may be escalated to the Ministerial Council for Federal Financial Relations for consideration.
46. If a dispute cannot be resolved by the Ministerial Council for Federal Financial Relations, it may be referred by a Party to COAG for consideration.

Variation of the Agreement

47. The Agreement may be amended at any time by Agreement in writing by all of the Parties and under terms and conditions as agreed by all of the Parties.
48. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

The Parties have confirmed their commitment to this agreement as follows:

Signed *for and on behalf of the Commonwealth of Australia by*

The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia
January 2009

Signed *for and on behalf of the State of New South Wales by*

The Honourable Nathan Rees MP
Premier of the State of New South Wales
December 2008

Signed *for and on behalf of the State of Queensland by*

The Honourable Anna Bligh MP
Premier of the State of Queensland
December 2008

Signed *for and on behalf of the State of South Australia by*

The Honourable Mike Rann MP
Premier of the State of South Australia
December 2008

Signed *for and on behalf of the Australian Capital Territory by*

Jon Stanhope MLA
Chief Minister of the Australian Capital Territory
December 2008

Signed *for and on behalf of the State of Victoria by*

The Honourable John Brumby MP
Premier of the State of Victoria
December 2008

Signed *for and on behalf of the State of Western Australia by*

The Honourable Colin Barnett MP
Premier of the State of Western Australia
December 2008

Signed *for and on behalf of the State of Tasmania by*

The Honourable David Bartlett MP
Premier of the State of Tasmania
December 2008

Signed *for and on behalf of the Northern Territory by*

The Honourable Paul Henderson MLA
Chief Minister of the Northern Territory of Australia
December 2008