

AFFORDABLE HOUSING

In 2017-18, the Commonwealth will provide funding of \$1.9 billion to support State affordable housing services, including \$1.4 billion through the National Affordable Housing SPP and \$553.6 million through National Partnerships, as detailed in Table 2.8.

Table 2.8: Payments to support State affordable housing services

\$million	2016-17	2017-18	2018-19	2019-20	2020-21
National Affordable Housing SPP	1,342.6	1,360.0	-	-	-
National Housing and Homelessness funding(a)	-	-	1,500.2	1,524.9	1,548.5
National Partnership payments					
First Home Owners Boost	-0.3	-	-	-	-
Homelessness	115.0	117.2	-	-	-
Northern Territory remote Aboriginal investment					
Remote Australia strategies component	49.7	50.9	3.5	3.5	3.7
Remote housing	391.0	385.4	-	-	-
Social Impact Investments	-	-	-	1.1	1.1
Total	1,898.0	1,913.6	1,503.7	1,529.5	1,553.2

(a) Funding includes \$116.6 million in 2018-19, \$118.4 million in 2019-20 and \$120.0 million in 2020-21 for homelessness.

National Affordable Housing Agreement

The *National Affordable Housing Agreement* commits the Commonwealth and the States to the objective that all Australians have access to affordable, safe and sustainable housing. From 1 July 2018; the National Affordable Housing SPP will be replaced by the National Affordable Housing and Homelessness Agreement (see below).

National Affordable Housing SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	430.2	338.7	269.4	145.3	94.7	28.7	22.1	13.5	1,342.6
2017-18	435.8	344.7	272.5	147.1	95.3	28.8	22.3	13.6	1,360.0
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The National Affordable Housing SPP is the funding associated with the *National Affordable Housing Agreement*. This funding supports a range of measures including social housing, assistance to people in the private rental market, support and accommodation for people who are homeless or at risk of homelessness, and home purchase assistance.

From 2018-19, funding from the National Affordable Housing SPP will be combined with new funding for homelessness under the National Housing and Homelessness Agreement.

National Housing and Homelessness Agreement^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-
2018-19	473.0	375.0	306.5	165.1	105.3	31.8	24.2	19.2	1,500.2
2019-20	480.5	382.7	311.4	167.9	106.4	32.0	24.5	19.5	1,524.9
2020-21	487.7	390.1	315.9	170.5	107.5	32.2	24.8	19.7	1,548.5

(a) Funding includes \$116.6 million in 2018-19, \$118.4 million in 2019-20 and \$120.0 million in 2020-21 for homelessness.

The *National Housing and Homelessness Agreement* (NHHA) will target jurisdiction-specific priorities including supply targets, planning and zoning reforms and renewal of public housing stock while also supporting the delivery of frontline homelessness services. The Commonwealth wants to achieve better outcomes for housing and homelessness funding than the National Affordable Housing SPP which has not met several agreed performance benchmarks.

The NHHA includes, but separately identifies, funding from the National Affordable Housing SPP and new funding for homelessness. For the first time, funding for both the housing and homelessness sectors is ongoing and indexed by Wage Cost Index 1. The Commonwealth's contribution to homelessness funding will be matched by the States, providing even greater certainty for the sector. Commonwealth funding also includes supplementation to assist with increases in wage costs arising from Fair Work Australia's 2012 Equal Remuneration Order in the Social and Community Sector.

A new measure associated with NHHA is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

National Partnership payments for affordable housing

In addition to the National Affordable Housing SPP funding, the Commonwealth will provide a total of \$553.6 million in 2017-18 through National Partnerships to support State affordable housing services. Further details on these National Partnerships are provided below.

National Partnership on the First Home Owners Boost

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	..	-0.2	-	-	-	-0.3
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The Commonwealth introduced the First Home Owners Boost in 2008 to stimulate housing activity, support the construction industry and assist first home buyers to enter the housing market. The First Home Owners Boost closed to new applicants in December 2009. Negative expenditure for some States reflects an estimate of funds returned to the Commonwealth following recovery from applicants later found to be ineligible.

National Partnership on homelessness

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	30.0	22.8	28.7	15.0	8.9	2.8	1.5	5.3	115.0
2017-18	30.3	23.2	29.4	15.4	9.0	2.9	1.6	5.4	117.2
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The program prioritises funding to frontline homelessness services, focusing on women and children experiencing domestic violence, and homeless youth. From 1 July 2018, new funding for homelessness and the National Affordable Housing SPP will be combined under the National Housing and Homelessness Agreement.

In 2017-18, supplementation of \$2.2 million will be provided in relation to the Equal Remunerations Order for Social and Community Services workers.

National Partnership on Northern Territory remote Aboriginal investment

The National Partnership supports the Northern Territory to improve outcomes in schooling, health, community safety and job creation for Indigenous Australians.

Other elements of this National Partnership are discussed in the Health, Education and Community Services sections of this Part.

Northern Territory Remote Aboriginal investment — Remote Australia Strategies Component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	49.7	49.7
2017-18	-	-	-	-	-	-	-	50.9	50.9
2018-19	-	-	-	-	-	-	-	3.5	3.5
2019-20	-	-	-	-	-	-	-	3.5	3.5
2020-21	-	-	-	-	-	-	-	3.7	3.7

The Commonwealth will provide funding to improve public housing in remote communities by investing in housing works and removing asbestos from community buildings. This funding will also support a sustainable, professional and accredited Aboriginal interpreter service.

This funding complements the funding to be provided under the *National Partnership on Remote Housing*.

National Partnership on Remote Housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	133.5	92.3	12.0	-	-	153.2	391.0
2017-18	-	-	111.7	121.8	14.8	-	-	137.1	385.4
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The Commonwealth is supporting significant reform in the provision of housing for Indigenous people in remote communities and addresses overcrowding, homelessness, poor housing conditions and severe housing shortages.

This funding supports the delivery of new houses, housing refurbishments and housing related infrastructure. It also provides incentives to States for progress against agreed outcomes that establish more sustainable housing systems in remote Indigenous communities.

National Partnership on Social Impact Investments^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	~	~	~	~	~	~	~	~	1.1
2020-21	~	~	~	~	~	~	~	~	1.1

(a) State splits are yet to be finalised.

The Commonwealth will provide funding to trial social impact investments which will aim to improve housing and social welfare outcomes in communities.

New measures associated with this National Partnership are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.