

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2011-12 Additional Estimates Hearings

Outcome Number: 2

Question No: 339

Topic: Housing Affordability Fund

Hansard Page: Written

Senator Payne asked:

The Australian National Audit Office in its assessment of the implementation and management of the Housing Affordability Fund made a number of findings in relation to FAHCSIA's handling of the HAF. At 2.58 to 2.72, ANAO describes FAHCSIA's advice to the Minister around the use of \$24m - \$32m of underspend funds in 2008-09. FAHCSIA provided advice on options for these funds, recommending options 4 and 5 (around state funding for social housing dwellings, and local government affordable housing reforms). Can the Department advise of the following matters in relation to these audit findings:

1. Did FAHCSIA actively engage with other state and territory departments to identify possible social housing funding options, or were the relevant projects applied for in an unsolicited manner by the states and territories?
2. Did the Minister give any advice to FAHCSIA that it should continue looking at these five projects after 22 April 2009, or did FAHCSIA take this upon itself?
3. Did the Minister request any information on these projects prior to 23 June 2009?
4. Did the Minister request or authorise FAHCSIA to negotiate with other state and territory departments to provide social housing funding options, or at any point for this engagement to continue?
5. On what basis did FAHCSIA negotiate with applicants to the point that it built high expectations around funding offers?

Answer:

1. The Department's detailed work with the states and territories on the Social Housing Initiative and the National Partnership Agreement on Social Housing around this time meant that it was not unusual for the Department to be aware of state and territory housing projects and potential projects or for states and territories to inform the Commonwealth of projects.
2. The Department's records indicate that the Minister had requested that the Department discuss with her the options for the funding underspend.

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3. The Department's records do not indicate that the Minister or her office made any formal briefing request on these projects prior to 23 June 2009.
4. It would not be unusual for the Department to seek further detail about potential housing projects identified in discussions with state and territory governments in order to develop a deeper working understanding of these initiatives.

It is not unusual for the Department to hold discussions with jurisdictions around potential project proposals on a without prejudice basis.

5. The Department is not in a position to comment on the impact of its actions on expectations.