

1992

**THE LEGISLATIVE ASSEMBLY FOR
THE AUSTRALIAN CAPITAL TERRITORY**

HOUSING ASSISTANCE (AMENDMENT) BILL 1992 (No.2)

EXPLANATORY MEMORANDUM

**Circulated by authority of
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Minister for Housing and Community Services**

HOUSING ASSISTANCE (AMENDMENT) BILL 1992

Authorised by the ACT Parliamentary Counsel—also accessible at www.legislation.act.gov.au

EXPLANATORY MEMORANDUM

OUTLINE

The Housing Assistance (Amendment) Bill 1992 (the Bill) will amend the Housing Assistance Act 1987 (the Act) to provide for improvements in the administration of housing assistance delivery by the Commissioner for Housing and incorporate amendments to the Commonwealth State Housing Agreement (the Housing Agreement).

The Housing Assistance Act 1987 establishes the Office of Commissioner for Housing and provides the framework for the provision of public housing assistance in the Territory. The Housing Agreement is incorporated as Schedule 1 of the Act.

The Housing Agreement provides the objectives, principles, framework and financial arrangements for the delivery of public housing nationally. On 1 March 1990 the ACT became signatory to the Housing Agreement. Participation in the Housing Agreement will preserve the ACT's share of Commonwealth funding for the provision of public housing, will require the ACT government to match funds for public housing in the ACT in order to attract untied Commonwealth funds and will oblige the Commissioner for Housing, when planning public housing programs, to take account of the objectives and principles agreed to under the Housing Agreement.

PROVISIONS OF FINANCIAL CONSIDERATIONS

The Bill will have no effect on revenue or expenditure.

DETAILS OF THE BILL

Clause 1 deals with a formal matter.

Clause 2 provides for the dates of commencement of sections within the Bill. Sections related to the Housing Agreement are to commence on 1 January 1993 to correspond with Commonwealth legislation. Other sections are to commence on dates to be notified in the ACT Gazette.

Clause 3 deals with a formal matter.

Clause 4 amends section 3 of the Act. This amends the definition of the Housing Agreement by including reference to recently agreed variations that take effect from 1 January 1993.

Clause 5 amends section 9 of the Act which deals with the powers of the Commissioner for Housing. This clause increases to \$1,500,000 the

monetary limit on contracts that the Commissioner for Housing may enter without the prior written approval of the Minister. The limit of \$500,000 was set in 1987 and has not previously been amended in light of inflation, escalating land costs and housing industry trends. This clause also makes consequential amendments in the light of ACT self government.

Clause 6 amends section 12 of the Act by substituting a new subsection (9). This clause strengthens the process of review of decisions by the Commissioner for Housing by making an express provision for a process of internal review of decisions in addition to the review of decisions by the Administrative Appeals Tribunal, thus formalising existing internal review arrangements.

Clause 7 repeals section 18 and substitutes a new section. This new section requires the creation of more than one Trust Account to be operated by the Commissioner for Housing in the provision of housing assistance. This clause removes doubts about the Australian Capital Territory (ACT) meeting the requirements of the Housing Agreement to establish separate Accounts for the Rental Capital Account and the Home Purchase Assistance Account. This clause also requires the Commissioner for Housing to operate a separate Account for home loan monies obtained through private borrowings.

Clause 7 also determines the purposes of the Trust Accounts including linking these to the purposes set down in the Housing Agreement and the transfer of funds between the Trust Accounts.

Clause 8 repeals Schedule 1 to the Act and substitutes a new Schedule. This is the amended Housing Agreement between the Commonwealth and the ACT, States and the Northern Territory. The amended Housing Agreement gave effect to the continuation of funding arrangements over the four years 1992-93 to 1995-96; the introduction of a three year planning cycle and the establishment of Housing Advisory Committees in the States/Territories; the introduction of a new Community Housing Program; and new cash management arrangements for the payment of Commonwealth grants to the States/Territories.

Clause 9 deals with transitional arrangements. This clause provides for the determination of closing balances in the Australian Capital Territory Housing Assistance Fund (ACT HAF) and the payment of these balances into the Consolidated Revenue Fund. Special appropriations from the Consolidated Revenue Fund are made, in the clause, to the new Housing Rental Trust Account and the Home Purchase Assistance Account following the closure of the ACT HAF. This clause also provides for a particular sequence of events and the careful co-ordination of a number of actions to ensure that the Commissioner for Housing's assets and liabilities are preserved and properly acquitted in accordance with the provisions of the Audit Act 1989.