



The Hon Tanya Plibersek MP
Minister for Housing
Minister for the Status of Women

MC09-026779

Mrs Julia Irwin MP
Chair
Standing Committee on Petitions
Parliament House
CANBERRA ACT 2600

Dear Mrs Irwin

Thank you for your letter of 26 November 2009 to the Minister for Families, Housing, Community Services and Indigenous Affairs, the Hon Jenny Macklin MP, concerning a petition submitted for the consideration of the House of Representatives Standing Committee on Petitions regarding the National Rental Affordability Scheme (NRAS). Minister Macklin has asked me to respond to you as this issue is in my area of responsibility.

I appreciate the petitioners' concern that NRAS applications should receive Local Government approval and that community consultation should also occur. It appears that petitioners have been misinformed about the process for NRAS developments. Development applications for houses to be part-funded under NRAS go through exactly the same process as any private (non-NRAS) development. NRAS developments are not exempt from local government rules and requirements.

The planning approval for any new NRAS development is made by the relevant local council in line with their usual practices, including community consultation where appropriate, and with reference to their requirements and town plans.

If residents of the suburb of Coombabah are dissatisfied by the general process for approval that applies to any new residential development in their suburb, I suggest that they direct these concerns to the local council.

While applicants under NRAS are not required to provide evidence that their proposals have obtained planning approval before they apply, they are required to sign a declaration which states that they will be fully compliant with the requirements of the Scheme. This includes compliance with planning laws.

Please also note that the National Rental Affordability Scheme Regulations 2008 require that each approved rental dwelling, and the management of it, complies at all times with the landlord, tenancy, building and health and safety laws of the State or Territory and Local Government area in which the dwelling is located.

The NRAS assessment process takes into consideration several aspects of development, including housing need in the area, as well as accessibility and sustainability outcomes. The decision-making process involves consultation with the State Government. The Commonwealth Government will not approve an application without State Government support.

Before a payment or refundable tax offset certificate will be provided, approved participants must indicate that they have complied with all local regulations and provide a copy of the certificate of occupancy, or equivalent, for each dwelling.

Providing NRAS approval and reserving an allocation allows applicants to forward plan and to include projects that will deliver dwellings over the four years of the Scheme. Furthermore, gaining approval under the Scheme may be a critical part of proceeding with the project and applicants may need or wish to secure this prior to applying for planning approval. Approval under the Scheme may also assist applicants to leverage finance.

Improving access to housing for families is a major priority for the Commonwealth Government and the Scheme will help increase the supply of more affordable rental homes. Rent for properties participating in the Scheme must be 20 per cent below the market rate, and only eligible tenants on low to moderate incomes can be housed in NRAS homes. Eligible tenants may be single people, couples or families with children and may include key workers who make a significant contribution to the community, such as nurses, police officers and trades people.

Once again, thank you for taking the time to write on behalf of the petitioners.

Yours sincerely

Tanya Plibersek

21.12.09